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THE WORLD

IN BOOKS

Books Reviewed in This Issue

BOOK	AUTHOR	PUBLISHER	PRICE
<i>Half Way With Roosevelt</i>	Ernest K. Lindley	Viking	\$2.75
<i>After the New Deal, What?</i>	Norman Thomas	Macmillan	\$2
<i>The Rise of Liberalism</i>	Harold J. Laski	Harpers	\$3
<i>Neither Purse Nor Sword</i>	James M. Beck Merle Thorpe	Macmillan	\$2
<i>Can Industry Govern Itself</i>	O. W. Wilcox	Norton	\$2.75
<i>Glory Roads</i>	Luther H. Whiteman Samuel L. Lewis	Crowell	\$2
<i>Pacific Adventure</i>	Willard Price	Reynal & Hitchcock	\$3
<i>The Far Eastern Crisis</i>	Henry L. Stimson	Harpers	\$3.75
<i>Haig</i>	Duff Cooper	Doubleday, Doran	\$4
<i>Seventy Years of It</i>	Edward Alsworth Ross	Appleton-Century	\$3
<i>History of Florence</i>	Ferdinand Schevill	Harcourt, Brace	\$5
<i>History of the Russian Revolution</i>	Leon Trotsky	Simon and Schuster	\$2.98
<i>Documents on International Affairs, 1935</i>	Stephen Heald John W. Wheeler Bennett	Oxford	\$6

THE rainy season in campaign literature is at hand. There will be no let-up and political propaganda will continue to pour heavily until election time. Out of the resultant flood, there is little worth salvaging. Most of the books are custom-built to fit prescribed partisan patterns and little can be expected from anything written in the ink of bias and in the shadow of a grinding axe.

There are several books, however, which aptly lend themselves to the current Presidential campaign but which cannot be justly classified as typical campaign literature. A list of these books would include *Half Way With Roosevelt* by Ernest K. Lindley (Viking, \$2.75); *After the New Deal, What?* by Norman Thomas (Macmillan, \$2); *The Rise of Liberalism* by Harold J. Laski (Harpers, \$3), and *Neither Purse Nor*

Sword by James M. Beck and Merle Thorpe (Macmillan, \$2). Each provides sound material for a background study of the issues confronting, not only the political candidates, but present-day civilization as well. Their value is enhanced by, and is not dependent upon, the current campaign.

Half Way With Roosevelt, written by the Washington correspondent of one of the nation's most bitterly anti-New Deal newspapers, is a clear-thinking, logical, and honest appraisal of the Roosevelt Administration. Mr. Lindley has little patience with those who hurl accusations of various "isms" at the President. He is out of sympathy, too, with those who snipe at the New Deal from under the silk high hat. For the Roosevelt Administration is neither an offshoot of Moscow nor a relative from Rome. Roosevelt has saved democracy, not de-

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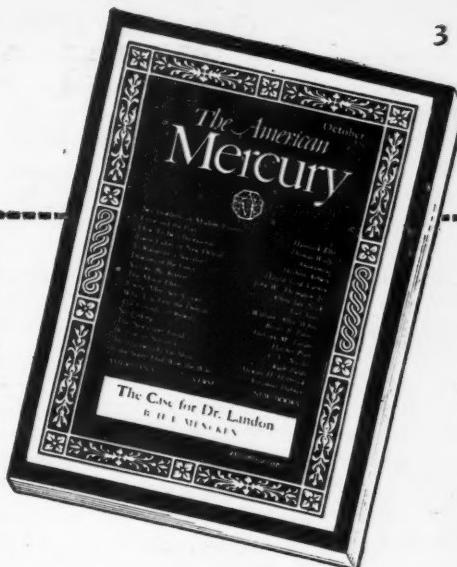
If you haven't read "Three Years of Dr. Roosevelt," by H. L. Mencken, the most exciting and sensational article published in many a moon, send 3¢ in postage today for your free copy. No article printed in our generation has created such a stir in government, business, and social circles.

Not Free!

Go quickly to your newsdealer, buy a copy of the *American Mercury* for October (reduced from 50¢ to 25¢) and read "The Case for Dr. Landon" Mencken's latest. Unless you hurry you may miss the article that every intelligent American will soon be discussing and quoting. On sale September 25th.

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THE AMERICAN MERCURY

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stroyed it, the author believes. And the tuxedo troupe which has been crying out against the Administration should be thankful, Mr. Lindley seems to believe, for having any clothes at all.

Mr. Lindley contends that the New Deal checked America's gravest crisis in many years and proceeded to steer the country back to a condition approaching, if not actually reaching, economic health. From its handling of the banking emergency to its subsequent acts and policies on the questions of relief, money, unemployment, collective bargaining, conservation, social insurance, agriculture, taxation, electricity and power, securities market, and the mortgage market, the Administration has acted, on the whole, forcibly and sensibly, he asserts. One of the most significant accomplishments of the Administration, the author adds, has been the liberalization of the Republican Party.

On the debit side, the New Deal has enough blunders to "fill many pages," but Mr. Lindley is quick to point out that many of them are excusable because of the rapidity with which measures were drafted to meet the many emergencies. One of Mr. Roosevelt's chief faults is "timidity"; "the country would be much further along if he had done something about the Supreme Court in 1933," the author declares. Further, he does not believe the President was sufficiently aggressive in his spending policies.

Mr. Lindley avoids conclusions; he feels, however, that the New Deal has laid the foundation for a sensible structure on which recovery can be built, and cautions those who would tear down the entire structure, lest they themselves be destroyed in the process.

Mr. Thomas and the New Deal

This would seem to pose the question, as Norman Thomas phrases it in the title of his new book, *After the New Deal, What?* There are two answers, according to Mr. Thomas. The first and most probable: fascism. The second, more desirable, but less likely: socialism. Fascism will come to America, he asserts, as soon as the forces of war or catastrophic depression are again loosed in this country. That these forces will be loosed again Mr. Thomas does not doubt. There is no escape, he says, unless there should develop in the meantime a sufficient force to build the cooperative commonwealth of socialism. Yet a socialist victory at the polls would probably be declared unconstitutional, even Mr. Thomas realizes. So that if fascism appears to be inevitable, just what will the American form of it take? Defining fascism as an extra-legal attempt by force and violence to maintain the class division of income under a dictatorship devoted to a totalitarian national state, Mr. Thomas says it will adopt an appeal for power similar to that being exploited now by the somewhat incoherent combine of Townsend, Coughlin, Lemke, and Smith. Huey Long, had he lived, would have made the ideal man on horseback, the author writes; the Great Louisiana Lung, with his chimerical promises of pie-in-the-sky, would have suited the specifications of the fascist formula without question. But Huey Long has as yet no true successor. The third-party combine is helping to prepare the way for another Kingfish, but its own leaders do not quite measure up to the required specifications themselves.

When the demagogue becomes dictator, he may not necessarily follow the exact patterns of the Hitlers or Mussolinis, but may even work out his routine without destroying the Constitution, and, as Mr. Thomas points out, still keep the forms of the Republic as did Emperor Augustus two thousand years ago.

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Capitalism will invoke fascism, but only with the greatest reluctance, Mr. Thomas believes, to preserve whatever it can of the status quo. In this respect, he is in agreement with Dr. Laski's *The Rise of Liberalism*, subtitled "The Philosophy of a Business Civilization." Dr. Laski, in recording the history of liberalism in the world, contends that fascism is the destruction of liberal ideas and institutions in the interest of those who own the instruments of economic power.

The story of liberalism provides one of the most fascinating chapters of world history. Liberalism was born with the birth of a new economic society, or middle class, at the end of the middle ages as the result of the oppressive power of the monopolistic land owners. This new economic society, founded upon the doctrines of liberty and freedom of enterprise, took the form of a new business civilization, establishing the rights and privileges of private property.

This business civilization, synonymous with liberalism, has had a phenomenal growth. But its rapid expansion has not been too wisely controlled. Its failure to strike a balance between distribution and production; its by-products of imperialism and war; and its palpable incapacity for self-control, have all contributed to the impasse it has already faced in many European countries and which Dr. Laski believes it will face here. Thus liberalism has given way to reaction; soon reaction will, in turn, give way to fascism, as a means of consolidating its gains.

The decline of liberalism, Dr. Laski writes, is also manifest in the failure of the Supreme Court to cooperate with President Roosevelt. The author seems to believe that the highest court is America's greatest stumbling block to the pursuit of social welfare. The court, he contends, is blind to social progress, and when it does open its lids it can see only out of the right eye.

Neither Purse Nor Sword

Dr. Laski could find no more severe argument on the question of the Supreme Court than that advanced in Messrs. Beck and Thorpe's *Neither Purse Nor Sword*. The late Mr. Beck, former Solicitor General of the United States, and Mr. Thorpe, editor of *Nation's Business*, view the Supreme Court as one of the few remaining American institutions which have not discarded our

GLORY ROADS

The Psychological State of California

By
LUTHER WHITEMAN
and
SAMUEL L. LEWIS

No matter what your private opinions you will chuckle over this survey of the Townsend Plan, the Epic Crusade, the Utopians and all the rest. Good-natured but merciless. By two Californians.

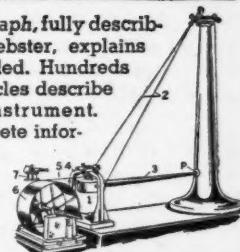
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national traditions. Free men are forging their own chains, they warn, while liberties given birth by the Constitution are being whittled away by regimentation, subversive doctrines, and high Federal taxes. Thirty-five cents out of every income dollar goes for Government expenses.

The most serious peril of all to the union, the authors say, is that patriotism has given way to complacency and indifference. Where are the teachers, they ask, to reject foreign doctrines? Where are the members of the Fourth Estate, to warn the people of the dangers of the ways they are pursuing? Where, in fact, are the real Americans?

Neither Purse Nor Sword makes a strong case for democratic liberties, initiative, individualism, and low taxes. Few are opposed to these concepts in principle. It is when the authors seem to ask for them in a degree approaching that which caused the economic holocaust following 1929 that one has a suspicion that the authors are blowing through rusty bugles.

Can Industry Govern Itself?

It would seem from *Neither Purse Nor Sword* that industry is capable of governing itself. To which O. O. Wilcox adds in *Can Industry Govern Itself* (Norton, \$2.75): Industry can put its own house in order "with only the assistance that any wise democratic government can give." Mr. Wilcox is convinced that it is far better for members of an industry to sink their characters as rugged individualists and accept the benefits of collectivity than accept the perils individualism would bring.

Taking the world sugar industry as his laboratory, Mr. Wilcox studied conditions in Australia, Brazil, Argentina, Czechoslovakia, Poland, Germany, Italy, France, Spain, and the United States. He has nothing but praise for the practical unanimity with which sugar producers the world over have come together, burying their economic hatchets, agreeing to exist side by side, and willing to live and let live.

Glory Roads

An interesting commentary on the recurrent fantastic security schemes, advanced by what Mark Twain once termed the "lunatic fringe", is given in *Glory Roads: The Psychological State of California*, by Luther Whiteman and Samuel L. Lewis, published by Crowell (\$2).

Native Californians, the authors have concerned themselves with the multitude of get-rich-quick schemes, not the least of which is the Townsend Plan, originating in their own State. Can it be the California air which has given germ to the ideas born by Kearny, Walker, and, more recently, Sinclair and Townsend? Or is it the atmosphere of the deserts, mountains, and the sunset over the Pacific?

Whatever the answer, say the authors, California has always been characteristically receptive to prophets, promises, and Utopias. The people are unlike any other: Californians are simply different, and they secretly enjoy the sneers of scoffers as much as the encomiums of enthusiasts: "We are a little proud of our State's idiosyncrasies . . . Californians are endowed by nature with sunlight; by disposition they are not averse to the limelight."

Clearly and entertainingly, *Glory Roads* takes the reader through many of the economic fads which have claimed attention on a national scale. The authors credit Upton Sinclair with being the "Governor of Psychological California." They add that had EPIC succeeded, it would have failed in the same manner as much of the New Deal, because of its obvious unconstitutionality. Messrs. Whiteman and Lewis draw a parallel between the ascension of the Townsend movement and the rise of Hitler. Townsend and Der Fuehrer, they point out, both began with a handful of converts. Both are loud-mouthed with messianic complexes.

Books on the Far East

Two new books on the Far East which can be read together to mutual advantage are *The Far Eastern Crisis* by Henry L. Stimson (Harpers, \$3.75) and *Pacific Adventure* by Willard Price (Reynal and Hitchcock, \$3). Mr. Stimson, Secretary of State during the Hoover Administration, discusses past, present, and prospective relations between the United States and the League of Nations as viewed in the light of past developments in the Far East. Mr. Price has concerned himself with a first-hand study of Japan as a mandatory power in the Micronesian Islands and as a voluntary exile from the League of Nations.

The Far Eastern Crisis, published for the Council of Foreign Relations, is a highly valuable record of the part played by the

(Continued on page 126)

Important New Books

WILLIAM ALLEN WHITE

What It's All About

Here a noted political observer gives you his view of the issues of the 1936 campaign, and outlines the changes in political philosophy since McKinley. A character sketch of Governor Landon, and discussions of the conventions and platforms of the major parties are included.

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JAMES M. BECK and MERLE THORPE

Neither Purse Nor Sword

This last work by one of the foremost authorities on the Constitution was completed after his recent death by the noted editor of *The Nation's Business*. Here the great objectives of the Constitution are contrasted with the realities of today and the effect of present government policies discussed.

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NORMAN THOMAS

After the New Deal ... What?

This, the latest work of the Socialist candidate for President, is more than a timely campaign document: it is a realistic analysis of the New Deal, of our situation as it stands today, and of probable future trends.

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H. G. WELLS

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Current HISTORY

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AT HOME:

NORMAN THOMAS, Socialist candidate for President, predicts that Landon will get fewer votes than Hoover did in 1932. If he is right, it will be because of satisfaction with the Roosevelt Administration. That satisfaction might easily have the same effect on his own showing.

Father Coughlin predicts that Lemke will poll more votes than Landon in Rhode Island. Five hundred astrologers, meeting in Chicago, seek to forecast the result by consulting the stars. Other people seek the same thing by following the various polls now being taken. Trying to find out the result beforehand divides interest with trying to shape it. Whether this helps or hurts, it suggests an attitude of mind which is more objective than active.

Though characterized by some startling sidelights and sideshows, this campaign is far different from what people expected two years ago. It is not in the least revolutionary, or even unique. Ample precedent exists for

all the digressions and diversions, including a three-legged third party.

Three Republican Senators—Norris of Nebraska, Nye of North Dakota, and Couzens of Michigan, have come out for Roosevelt. So has Mayor La Guardia of New York and the La Follettes of Wisconsin. Democratic ex-Senator Reed of Missouri, Democratic ex-Governor Ely of Massachusetts, and Democratic ex-Secretary of State Colby have come out for Landon. So, too, has the Liberty League with its blue-book roster, as well as many other prominent Democrats. Democratic Senator Holt of West Virginia is throwing his strength to Lemke. This is only to mention a few of the prominent dissenters whose example is being followed by thousands upon thousands of rank-and-file voters.

As thus far tabulated, the *Literary Digest* poll indicates that more Democrats are swinging to Landon than Republicans are swinging to Roosevelt. It also indicates that the Lemke vote will be largely at Roosevelt's expense. But whether these two factors will be sufficient to cut down the tremendous majority the President rolled

up in 1932 is still a debatable question.

Meanwhile, the two major parties not only continue to hold the commanding lead, but they are nearer together on some of the more important issues than their campaign managers would like to admit. Both are for enlightened isolation and strict neutrality; both promise to continue relief; both are in favor of land conservation.

Republicans denounce the policy of curtailed production, but the drought has practically forced the Democrats to abandon it, which sort of neutralizes the situation. Republicans criticize the failure to put more Federal jobs under the Civil Service, and President Roosevelt replies by putting more of them under it. Organized labor is patted on the back by both groups; business is promised help and protection, and, of course, the "dear peepul" are guaranteed against every kind of discomfort or inconvenience.

Nominally, the New Deal is an issue, but the Supreme Court pulled too many of its teeth for it to become a "holy cause" or an awe-inspiring bugaboo. Progress toward recovery, even after the Supreme Court got through with its dental work on the New Deal, persuaded the Democratic Party not to go against the Supreme Court or to favor a constitutional amendment as some leaders wanted it to at one time. Progress toward recovery also persuaded the Republican Party not to take a too anti-liberal stand.

By and large, we come back to those traditional arguments which have served us for a century. The "outs" denounce usurpation of power, extravagance, waste, etc., as they always have, while the "ins" justify the record. The Republicans assail bureaucracy, while President Roosevelt promises to consolidate, coordinate, or eliminate unnecessary boards and

bureaus. The talk grows technical rather than flamboyant, as other issues give way to our favorite indoor sport of analyzing the record.

Tax Consciousness

August 11 found Landon's "idea men" mapping out a program to "humanize" the tax issue, an advertising campaign to make the average voter conscious of just how much revenue was baked into a loaf of bread or woven into a suit of clothes. The very next day found President Roosevelt calling Chairman Harrison of the Senate Finance Committee, Representative Doughton of the House Ways and Means Committee, and Secretary of the Treasury Morgenthau into conference. The following day found this conference assuring the American people that no new taxes would be sought. Also, it found Secretary Morgenthau declaring that:

"We have reached the conclusion that no new taxes and no new increases in present rates are necessary. * * * With continued recovery we are steadily approaching a revenue yield which will be entirely adequate to cover the expenditures of Government and reduce the public debt."

In addition, Secretary Morgenthau suggested "revision of the tax laws, with the purpose of removing any inequalities or unnecessary administrative difficulty that may be inherent in the law, and abating or modifying taxes that create interference to consumers or to trade, or have other disadvantages which outweigh their revenue yield."

Even more promising was the Treasury Report of Receipts and Expenditures for the first six weeks of this fiscal year, beginning June 30, compared with those for the similar period last year. The report showed

that revenue from income taxes was up 68.4 percent; from miscellaneous taxes, 22.6 percent; and from customs, 6.2 percent, while expenditures for recovery and relief had gone down 31.5 percent.

Landon-Robinson Debate

Said Governor Landon in his speech at Buffalo on August 26:

"The Government must guard and preserve its sources of revenue. The Government must make sure that it gets a dollar's worth for every dollar it spends. The Government must not get in the habit of spending more than it receives. Finally, the Government must prepare for the rainy day."

"The Government," he continued, "should raise the major portion of its revenue from direct taxes levied on the net incomes of individuals and corporations."

He charged that the Democrats have increased hidden or indirect taxes until "the share of the cost of government falling mainly on those with incomes of \$25 a week or less has increased 25 percent during the three years of the present Administration." Criticizing last spring's tax bill which levied surtaxes on the undistributed net incomes of corporations, he said, "What it does is to protect the big fellow who still has a reserve, and tie the millstone around the neck of the little fellow. * * * This is the most cockeyed piece of legislation ever imposed on a modern country."

In replying to Governor Landon two days later (August 28), Senator Robinson declared:

"The revenues from both direct and indirect taxation have increased measurably because of better business conditions. It is also true that liquor taxes * * * are yielding \$500,000,000 per annum and, of course, such taxes

did not constitute a source of revenue in 1932."

Referring to the 1936 corporation tax, Senator Robinson said:

"Business and industry have gone forward with amazing rapidity since the enactment of the 1936 tax bill which he [Governor Landon] claims is holding up recovery. If he would read the bill itself, Governor Landon would discover that it provides a cushion for small business corporations; enables them to build up capital reserves; and that the measure is specifically designed to impose the burden of taxes on those having the ability to pay."

Senator Robinson criticized Governor Landon for "lumping" Federal and State taxes together to intimidate the lower-income classes. By way of illustration, he offered bread on which he said the Federal Government imposes no taxes.

Answering Republican claims that the national debt had increased alarmingly and unnecessarily, Senator Robinson pointed out that, while it equaled 62 percent of the national income in 1932, it equals only 55 percent at this time.

The Budgetary Puzzle

With seventy or eighty bureaus spending the money; with revenue derived from varied and often obscure sources; with credits, loans, and short-term certificates complicating the balance-sheet, no one but an expert accountant could hope to clarify our budgetary situation, even to his own satisfaction. About all the average man can do is to accept such summaries and generalizations as are distilled for his benefit.

Roughly, the following table shows how much the Federal Government has taken in, paid out, and gone behind during each year from 1930 to 1936



Achilles' Heel!

—N. Y. *World-Telegram*

inclusive, together with estimates for the year 1937.

(In Millions of Dollars)			
Fiscal Year	Receipts	Expenditures	Surplus or Deficit
1930	\$4,178	\$3,994	+\$184
1931	3,317	4,220	- 903
1932	2,121	5,274	- 3,153
1933	2,238	5,307	- 3,068
1934	3,116	7,105	- 3,989
1935	3,800	7,375	- 3,575
1936	4,116	8,880	- 4,764
1937 (Est.)	5,666	7,763	- 2,097

These figures would indicate a deficit of approximately \$21,500,000,000, but such a deficit is not, or will not be reflected by the rise of the Federal debt. This comes about from the fact that large sums of money now classified as expenditures will eventually be returned.

Meanwhile, expenditures for recovery and relief have fallen. In 1935, the total for these two items was \$3,069,000,000. In 1936, it is fixed at \$2,777,000,000. In 1937, it is estimated at \$1,835,000,000. However, President Roosevelt intimates that he may have to increase it by \$500,000,000.

Such savings as we have been able to make in expenditures for relief and

recovery are offset to a considerable extent by other items. During the current fiscal year, we will spend \$405,000,000 for social security, where we spent nothing in 1935. We will spend \$920,000,000 in national defense, against \$534,000,000 in 1935, and \$992,000,000 for the maintenance of the regular departments of government, against \$530,000,000 in 1935.

About the only thing one can be sure of is that we are considerably better off than we have been for a long time, but that we are still on the wrong side of the ledger and that a balanced budget is not definitely in sight. No one with good sense can regard the situation as alarming provided, of course, that proper measures are taken to rectify it. The one and only danger lies in the possibility that the habit of spending and borrowing will carry us beyond our depth. The possibility is remote and would require several years, but it is a possibility nevertheless, and probably represents the strongest argument Republicans have at their command. It rests on the assumption, however, that President Roosevelt and his associates are both unaware and unmindful of the situation, and that assumption is hardly conceivable.

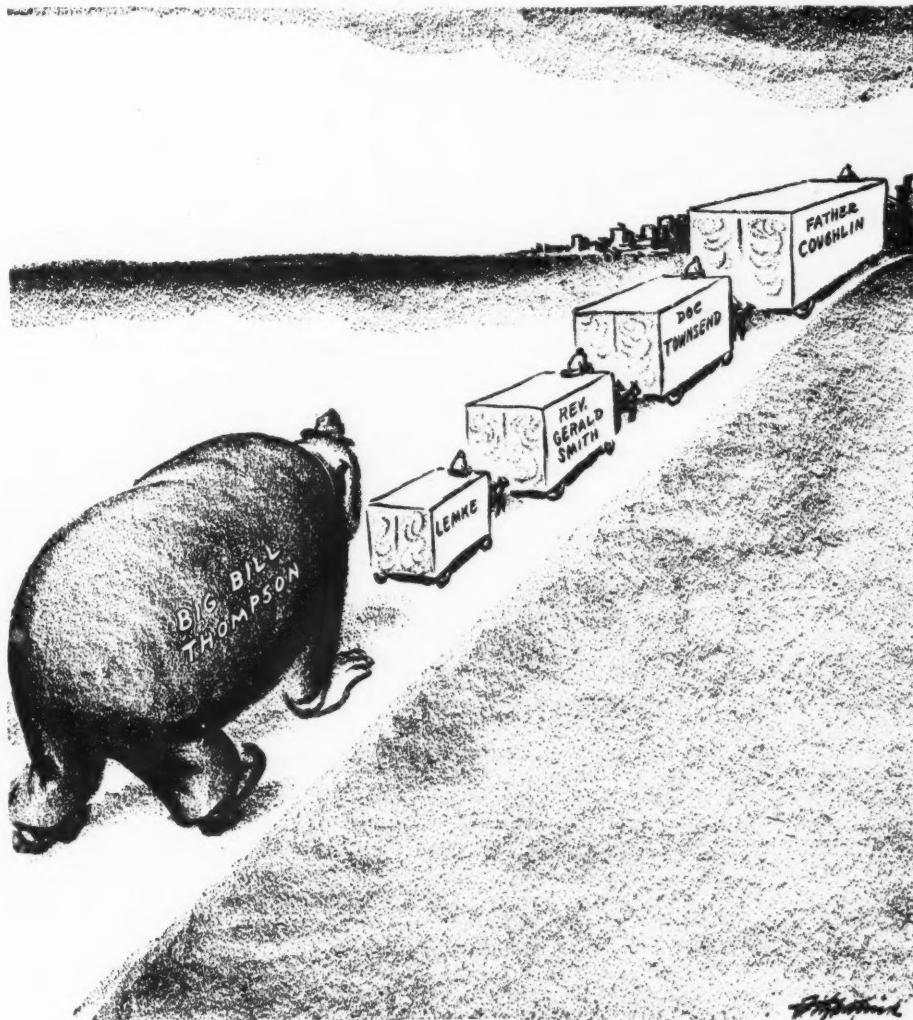
Sub-Surface Emotions

Worry over higher taxes, increased debt, and strained credit, together with the implication of some emergency measures as well as the economic policy pursued by other countries, has served to aggravate the inflation bogey. Inflation has shadowed America's mental horizon ever since the crash of 1929. Political quacks have advocated it as a cure-all, while business men have hesitated to put forth their best efforts through fear of its approach. This fear not only led to a definite degree of

curtailment, but to the hoarding of gold. It was largely responsible for the withdrawal and impounding of the metal.

In spite of the precautions which have been taken and all the assurances that have been made, a large section of the public is still apprehensive of inflation; is still afraid that the noisy minority advocating it will be able to get somewhere. What hurts even

more—many people waste their time in futile scheming as to what should, or could be done to take advantage of inflation if, as, and when it comes. While the tendency to do this may be diminishing, it still plays an important part in our unofficial thought and attitude toward finance and industry. We have seen a large part of the civilized world abandon gold. We have seen governments survive the whole-



THE CIRCUS GOES TO CLEVELAND

—*St. Louis Post-Dispatch*

sale issuance of printing-press money, and we have seen the repudiation of debt on a widespread scale. Though the great majority of us are against it in principle, we sometimes find it difficult to avoid the suspicion that it could happen here.

In the same way—and largely through the same reasoning—we find it difficult to avoid the suspicion that war may break out anywhere, at any time, to engulf Europe and perhaps us. We take refuge in demands for isolation and rigid neutrality, but are skeptical as to their efficacy. Having been drawn into a European war once, after supposing that we had made ourselves immune, we are not quite sure we could keep out of another. Having beheld the effects of war on credit, debt, and money, we are not quite sure but that England and we ourselves would be forced to follow the course pursued by some other nations in case of another wholesale conflict.

Of more immediate concern is our apparent inability to prevent industrial strife; to bring the problem of labor and capital within the orderly processes of judicial procedure. As a whole, the American people have no quarrel with the idea of shorter hours, increased wages, the right of collective bargaining, etc. As a whole, they believe that the spread between poverty and wealth could, and should be reduced. But—and this is what worries them—they cannot seem to find any way of accomplishing such ends except through the formation of antagonistic organizations and the application of force. They realize that this cannot go on indefinitely without creating class-consciousness, involving political alignments, and weakening the economic structure. They realize that class-consciousness can only eventuate in class rule; that if capital and labor are permitted to divide and quarrel, one or

the other will ultimately seize control. They realize that the only alternative to such an unhappy outcome is some method of orderly adjustment.

The Seattle Strike

Let us consider the Seattle strike, which resulted in the suspension of *The Post-Intelligencer* on August 13, not because of its economic or social importance, and not because of any wish to favor or reflect on either side, but because it furnishes a vivid illustration of the capital-labor problem, and how that problem can ramify from inconsequential details to grave results.

This strike was caused by the discharge of two editorial employees—one for alleged incompetence, and the other for alleged insubordination. The Newspaper Guild, of which these employees were members, claims they were discharged for activities in its behalf. The dispute was taken to the Seattle Central Labor Council which, over the protest of union printers who were under contract with *The Post-Intelligencer*, placed that paper on the unfair list.

The Post-Intelligencer claims that only 26 of its 80 editorial employees were members of the Newspaper Guild, while the Guild claims 43 members. Everyone concerned admits that the strike was supported by thousands of sympathizers and that picketing was established on a stupendous scale.

The course and character of the strike can best be made clear by quoting some of the more important statements issued by the various parties and interests concerned.

On August 14, the day after *The Post-Intelligencer* suspended operations, Charles Howard, international president of the typographical union, wired the Seattle union:

"Action of executive committee considered illegal strike. Neither executive committee nor local union have authority to order members to refuse to set type for *The Post-Intelligencer* in own or other offices. Members must ignore illegal order and will be protected as provided by international law."

On the same day, George L. Berry, international president of the pressmen's union, wired President Green of the American Federation of Labor:

"The Central Labor Council of Seattle has placed *The Post-Intelligencer* upon the unfair list and is engaging in a violent boycott and blockade, which has gone to the extent of preventing printing trades workmen who own the contract from returning to their posts of duty. *The Post-Intelligencer* has closed its offices and as a result several hundred printing tradesmen are thrown out of their positions. This is an almost inconceivable situation and I am calling upon you as president of the American Federation of Labor to require the Central Labor Council of Seattle to desist from its interference with the members of our own organization in the fulfillment of their contractual obligations."

On August 19, the Hearst General Management issued the following statement:

The Newspaper Guild, representing twenty-six employees out of eighty in the editorial department, declared a strike because of the discharge of two employes, one for incompetency and one for insubordination. The cases of these two discharged employes have been filed by the Newspaper Guild with the National Labor Relations Board, appointed by President Roosevelt.

The Seattle Post-Intelligencer has contracts with the Typographical Union, the Pressmen's Union, the Stereotypers Union, and the Engravers Union. The local chapter of the printers' union aided the strike, which has been declared illegal by Charles Howard, president of the International Typographical Union. Fifty-four employes out

of eighty in the editorial department and all other members of the printing unions have sought to respect their contracts and publish the paper. They have been prevented from entering the plant by a turbulent mob, in no wise identified with *The Seattle Post-Intelligencer*, or with the printing trade unions.

The longshoremen, the teamsters and the woodsmen are acting under the direction of Mr. David Beck, vice-president of the Teamsters Union, the acknowledged political boss of the city of Seattle, and according to his own description, he "undoubtedly will again have the honor of leading the labor forces of the Democratic party in the State of Washington and Oregon" in the present Presidential campaign.

The Mayor of the city of Seattle has publicly proclaimed his allegiance to David Beck, and constituted authority in the city of Seattle has disappeared, in so far as any effective control of the Beck mob is concerned. The Democratic Governor of the State of Washington is running for re-election, and refuses to uphold the authority of the State.

The Seattle Times, owned by the Blethen family, a bitter competitor of *The Post-Intelligencer*, has recognized the situation, and, in a courageous editorial, denounced the lawless suppression of a newspaper by a mob of hoodlums acting under the direction of an unofficial political boss.

The Seattle Star, another competitor of *The Post-Intelligencer*, has denounced the lawless condition.

Every international president of every printing union has ordered the members of his craft to go through the picket lines and live up to their contract. The reply has been they would be murdered.

On the same day, David Beck, Seattle labor leader, described as "malicious and groundless" the charges made against him by the P.I. and *The Seattle Times* that he was responsible for the strike.

"I have had no part whatsoever in the calling of this strike," he said, "should *The Post-Intelligencer* decline to join in an investigation, I shall *** ask the *** American Legion to ascertain the full facts."

On the same day, also, Mayor Dore of Seattle said: "I'm washing my hands of the business *** I don't care if *The Post-Intelligencer* never publishes, and I think it would be a good thing *** if it didn't."



ENDANGERED

—Christian Science Monitor

On August 20, Governor Martin of Washington, in a radio address, offered his services "toward better understanding and peaceful settlement" of the Seattle strike, but declared there would be no need to resort to the National Guard because no emergency existed.

"* * * The strike has been seized upon by a few extremists on both sides, and a few political opportunists," he said. "* * * Labor in general and employes * * * have the right to seek shorter hours * * * higher wages, and better working conditions."

Harvey J. Kelly, general counsel on labor for Hearst newspapers, stated on August 25:

When Seattle Central Labor Council, Aug. 12, voted to place *The Seattle Post-Intelligencer* on the unfair list, it violated A. F. of L. laws because printing trades unions having contracts with *The Post-Intelligencer* protested such action.

The laws provide in substance that an employer of union labor under contract may not be placed upon the unfair list of a Central Labor Council without the consent of the unions directly affected.

It was under the cloak of this illegal boycott that a mob comprised of "wrecking crews" from unions of teamsters, maritime workers, timber workers and other radical groups, joined with the twenty-six strikers to prevent by actual sluggings, physical force and intimidation all other employes from entering the plant.

An issue is created which will raise serious question throughout the country as to the value of any union contract. Local unions affiliated with the A. F. of L. enjoy a high degree of local autonomy.

The Seattle printing trades, which are long time A. F. of L. affiliates, have contracts prescribing wages, hours and working conditions satisfactory to the members of those unions.

Another group of unions, also affiliated with the A. F. of L. but in no manner identified with the newspaper publishing business, presumes to impose its judgment upon the printing trades unions and says in substance that regardless of contracts satisfactory to the unions which negotiated them the members may not work and may not avail themselves of the right to earn wages under those contracts.

As a consequence the Seattle printing trades unions are losing from \$1,200 to \$1,500 a day in wages because another group

of A. F. of L. unions says they may not work.

The situation cuts across all lines of local autonomy and despite the fact that printing trades unions members have no grievance they are the real losers because, having no strike, they draw no strike benefits.

Similar attempts have been made in other cities but where law and order enforcement by public authorities assures protection from physical violence members of the printing trades fulfill their contract obligations and pass through picket lines to and from their work.

W. Vaughn Tanner, resident publisher of *The Post-Intelligencer*, said:

There can be no compromise. You can not negotiate under the coercion of a mob. When you arbitrate the right to enter your own property you arbitrate under coercion. It constitutes submission to mob violence.

The maintenance of law and order and of the right to enter our property is the business of the public authorities and in that they have failed.

We will not arbitrate the question of who shall gather the news, write the news, edit the news or write our editorials.

On the same day, the American Newspaper Publishers Association adopted the following resolution:

Whereas *The Seattle Post-Intelligencer*, a member of the American Newspaper Publishers Association, was, for the protection of its 650 loyal employees, forced to suspend publication by members of other unions having no connection with the newspaper publishing business, and

Whereas the Seattle Central Labor Council, proceeding contrary to the laws of the American Federation of Labor, its parent body, did place a boycott upon *The Post-Intelligencer* over the protests of printing trades unions having contracts with *The Post-Intelligencer*, and

Whereas presidents of international unions of the printing trades did protest to the American Federation of Labor this deviation by Seattle Central Labor Council from A. F. of L. laws, under the excuse of which lawless elements in other A. F. of L. unions did prevent by violence and intimidation the members of A. F. of L. printing trades unions from working and fulfilling existing union contracts, all of which is contrary to law and order and constitutional rights; now, therefore,

Be it resolved, that the directors of the American Newspaper Publishers Association, representing 444 daily newspaper publishers of the United States, most of whom employ union labor under contract, do most vigor-



All Quiet on the Western Front
—United Feature Syndicate

ously protest to the American Federation of Labor the lawless acts of certain affiliates of the A. F. of L. at Seattle and point out that such action if condoned by the A. F. of L. means a great loss of confidence in all contracts with union labor.

On August 27, David Beck, denying any part in the strike for the second time, said:

"We are ready to open all our books *** to Government investigators to prove there is no racketeering in the Teamsters Union. *** [This] Union did not sit in at any conference preceding the strike, *** it did not discuss it with the Guild officials and did not attend any of the meetings which led to the Central Labor Council placing *The Post-Intelligencer* on the unfair list. *** This is the first time in the history of the labor movement that we have ever been together on an issue *** the right of union recognition and collective bargaining."

Mayor Dore said, on August 28, that *The Post-Intelligencer* workers "never asked me for police protection." He added that the factor responsible

for the continued success of the strike was "the terrific hatred in this city for William Randolph Hearst."

On August 29, the Industrial Council of Seattle, claiming to speak for organized business in that city, declared:

"While *The Post-Intelligencer* strike is the most brazen of the acts of this willful group, it is but a symptom of a condition that affects all trade and industry and goes to the very vitals of American principles of free enterprise."

On August 30, Frank R. Singleton, secretary of the Law and Order League, said:

"We are a law and order league *** the vigilante stuff is out *** Our laws are very liberal on picketing. There is no limitation on the number of pickets, but [they] are subject to the criminal laws. *** It is an invasion of any person's constitutional rights for pickets to keep him out of a building he wants to enter." Mr. Singleton added that his league would do "anything legal" to meet labor racketeering and violence.

William Green, president of the American Federation of Labor, announced on September 4:

Following the submissions of complaints by officers of the printing trades organizations against the action of the Seattle central body in placing *The Post-Intelligencer* in Seattle upon the unfair list, I directed the representative of the American Federation of Labor in Seattle, Wash., Rowland Watson, to make an investigation and submit a report. This investigation was made and the report submitted.

The report states that the investigation of Representative Watson showed that the Seattle Central Labor Council acted in accordance with the laws, rules and procedure of the American Federation of Labor when it placed *The Seattle Post-Intelligencer* upon the unfair list.

Efforts to conduct a hearing upon the complaint filed by the American Newspaper Guild and to promote a settlement were made by the officers of the Seattle central body before formal action was taken placing *The*

Seattle Post-Intelligencer upon the unfair list. The laws of the American Federation of Labor require that central bodies take such action and follow such a course before placing any firm upon the unfair list.

In view of the fact that the Seattle central body conformed to the laws of the American Federation of Labor and acted in accordance with the rights conferred upon it by the American Federation of Labor and followed legal and orderly procedure, the American Federation of Labor cannot interfere. I have directed Representative Watson, however, to serve in every possible way in trying to bring about a settlement of the dispute existing between the management of *The Seattle Post-Intelligencer* and the members of the local newspaper guild so that industrial peace may be re-established in the city of Seattle.

ABROAD:

POLITICAL anxiety continues to swirl around Spain. The only change in the situation is that the prospects of a wider conflict have been definitely reduced.

Undoubtedly there are two camps in Europe, both interested in and anxious to see the victory of their own side. But they do not yet care to let their sympathies involve them in an international war, and the greater efforts of statesmen have been devoted to insulating the Spanish struggle from the outside world. For this, the lion's share of credit is due Leon Blum, the French Premier.

Non-intervention Proposed

France, bedeviled by the fear that prolonged fascist assistance to the Spanish rebels would clamp her between two fascist nations, initiated the non-intervention negotiations on August 1. Speed was urgent. Her note was addressed to Italy and Great Britain, the immediately interested Mediterranean powers, for she realized that the inclusion of Germany and Russia, with their wider interests in the conflict, would prolong the

negotiations. (That surmise proved only too true.) The communiqué, calling for a tripartite conference—more expeditious than bilateral negotiations—suggested “the rapid adoption and rigid observation of a common program of non-intervention in the Spanish civil war.”

While the French could point with pride to their record in not permitting the export of arms to either side since July 25, they made this reservation:

“The fact that one Government has furnished war materials to the rebels obliges the French Government to reserve its freedom to reconsider the decision taken by itself.”

France was not going to handcuff herself while Italy was free.

Broadening the Plan

If the French hoped to rush the job through in a couple of weeks, they



School opens in Europe

—St. Louis Post Dispatch

were doomed to disappointment. Great Britain was in less of a hurry. She desired neutrality, if for no other reason than that she could not afford to take sides: a fascist victory might implant Mussolini in Ceuta and the Balearic Islands and Hitler in the Canary Islands—events which would cut off the routes to the East both through the Mediterranean and down the West Coast of Africa; while a Government victory, resulting in a "Red" Spain would be a constant threat to Portugal, which was as important to her air-routes as Gibraltar was to her Navy and whose dictator was friendly to the British cause. In addition, the collapse of the Portuguese régime would reopen the question of African colonies.

So England accepted the French plan "in principle", but suggested that it be carried out by separate diplomatic negotiations, and that it should be broadened to include Germany, Portugal, and Russia. It was obvious that Russia and Germany were taking part, officially or unofficially, in the Spanish squabble, while it was patently ridiculous to exclude Portugal, whose long Spanish frontier was a potential happy hunting ground for arms smugglers.

This perfectly reasonable request the French accepted, even if it meant an unwelcome delay.

Delays

There followed a period of diplomatic bickering during which no country would take any risk of losing a chance to back its favorite faction without being doubly sure that no other country was going to be allowed to intervene. Germany and Italy, in particular, by displaying the greatest anxiety to take part in the Spanish revolt, bid for the highest price obtainable for their abstention. What is more, by holding up the negotiations,

they were, intentionally or otherwise, making more effective the assistance they were obviously giving the rebels.

By August 10, all the major powers had accepted the pact "in principle", but they had also laid down such exacting qualifications that effective agreement seemed improbable. Russia insisted that "the assistance rendered by certain states to the rebels * * * should be immediately discontinued." Germany "would see no difficulty in entering a conversation with a view to establishing rules assuring the principle of non-interference of the powers in Spanish affairs, on condition that these rules applied to Soviet Russia also." Italy, extremely suspicious of France and Russia, hedged her acceptance with broad qualifications: did not voluntary subscriptions and public demonstrations amount to interference? How was the plan to be supervised? In other words, non-intervention should be complete and absolute, and how would France and Russia manage that with their left-wing elements?

Portugal demanded as its price a Franco-British guarantee of its territorial integrity (subsequently granted on the basis of an Anglo-Portuguese treaty dating back to the dinosaurs) and the complete abstention of Soviet Russia.

Even Great Britain balked at certain technical aspects of the proposition, objecting that her present laws on the export of arms made reservations necessary.

Incidents

It was all a bluffing match, but a good deal of hard feeling arose through numerous "incidents."

The German press started to hurl bitter anti-Marxist epithets eastward, at the same time flinging accusations of "double-dealing" against France; "neutrality must not degenerate into

promotion of wanton bolshevism." The battleship *Deutschland* intervened between Government vessels and the rebel forts, and the admiral in charge visited General Franco. Four Germans were killed; Germany protested against the "murder", and Madrid refused to apologize. The Russian workers were raising funds; there was a semi-official recruiting office in Paris for loyalists, and French interests were reported to have delivered 15 pursuit planes to the Government. Great Britain blockaded Gibraltar harbor, keeping Government warships from attacking Algeciras. British aircraft were flown to Spain and the Air Ministry declared on August 13 that "it was neither interested in, nor responsible for, these machines leaving Great Britain." Italian planes were found in the rebel service.

The Spanish Government did not take it all sitting down. Eight German commercial planes were impounded in Madrid, while on August 19 the Kamerun was stopped and

searched on the high seas, in spite of the international law ruling on that subject.

These, and many kindred incidents, served to show the extent to which the outside powers were interested in Spain, and consequently the extraordinary difficulty of achieving any effective non-intervention agreement when official or unofficial sympathies could not be restrained from expressing themselves in cumulatively provocative actions.

Agreement

By mid-August, the chances for the French proposal seemed to have disappeared like smoke up a chimney, and the acceptances "in principle" amounted in the aggregate to just exactly nothing.

Unexpectedly, however, the situation took a turn for the better. Great Britain and France reached complete agreement, the former warning her nationals that they would trade with either faction in Spain at their own



France will be neutral IF England will. England says yes, IF Italy will. Italy will IF Germany will. Germany will IF Russia will. And Russia will IF she has any sense.

—Birmingham Gazette, England

risk. Portugal also sent in her acceptance, although she pointed out that the pact must be extremely rigid and protested that the "mass killings" indulged in by the Anarchists and Socialists in Spain should be condemned by all signatories to the pact.

Four days later, Great Britain, acting on her own initiative, took decisive action; the Board of Trade revoked all licenses for the export of arms to Spain or Spanish possessions and canceled the "open licenses" by which British pilots had been enabled to fly planes to Spain.

* * *

Germany and Italy, however, still balked. On the 18th, Italy's airfleet was mobilized to help the rebels, should French assistance to the loyalists continue. France hastened to explain that voluntary contributions would be allowed only for humanitarian purposes; further, she met the previous Italian objection by explaining how the pact would be enforced. Consequently, on August 21, Italy came into line, agreeing to forbid the export or reexport of all war materials; she stipulated, however, that all important arms-producing states should be in too, and that "indirect intervention" should be interpreted "in the sense that in the countries adhering to the agreement public subscriptions and the enrollment of volunteers for either one or other of the sides in the conflict are inadmissible."

Madrid released all the detained German planes save one, and on the 17th, the Reich agreed to come into the plan, on two conditions: (a) that the agreement should include all arms-producing countries (this with an eye cocked on the Skoda works in Russo-phile Czechoslovakia); and (b) it was considered "particularly desirable if the participating Governments were to extend their measures to prevent the

departure of voluntary participants."

On August 24, Germany announced an arms embargo, and Russia did likewise. On the 28th, the Italian embargo went into effect, even if Italy was still suspicious of France.

If there was surprise at the agreement of the two fascist powers, there was no reason why they should not have entered. Both had managed to give substantial help to the rebels during the period of negotiation without getting involved in any international difficulties for which they were not yet prepared. Germany, furthermore, had just increased her Army; she needed all her available military supplies more than did the rebels; in fact, she simultaneously canceled arms exports to Greece and Bulgaria. And neither power was unconditionally tied to the "hands-off-Spain" agreement.

Execution Delayed

Agreement was one thing; the execution of neutrality another.

Eleven nations agreed to formation of an international committee to supervise the conduct of non-intervention. Germany, however, suggested that Great Britain alone should carry out this job. This was partly flattery and partly a move to pass the burden of responsibility. In either case, it meant an expensive delay. Nevertheless, at the last minute the Reich agreed to international, rather than national, supervision.

The committee held its first meeting on September 9. In itself this constituted an admission that the powers were anxious to isolate the Spanish conflict. But, in the face of this, Portugal stayed away, and Germany and Italy refused information regarding their shipments to Spain. The fascist powers were still willing to jeopardize the chances of neutrality in the hope of giving eleventh-hour as-

sistance to the rebels and of impressing upon Europe their diplomatic strength.

What Are They Fighting For?

In August, it was possible to report the first major casualty in the Spanish war: liberalism. Since then nothing has happened to that corpse save that it was plugged by a few extra bullets, just to make sure there was no chance of a resurrection in the proximate future; it was not even given a decent burial.

September saw a second serious casualty: capitalism. The struggle in Spain generally has been over-simplified as a conflict between outright communism and reactionary capitalism. But it was reported on September 6 that the fascists had succeeded in forcing upon General Mola a program of "National Syndicalism", calling for a ban upon the accumulation of wealth, a division of the large estates, and State domination of the Church.

This will provide ample food for thought for those in all countries—America included—who look upon the Spanish rebels as the staunch upholders of the present economic system. And it should not come as a surprise, either. In Germany, the owning and employing classes have little freedom from the dictates of the state; in Italy they have still less.

From the viewpoint of the capitalist, fascism may be preferable to communism, but only in the negative sense that it is the lesser of two evils. The argument that it is introduced to prop up the capitalistic structure is overrated; Italian, German, and now Spanish experience prove that.

Nazis in Conference

The fourth National Socialist Conference, held at Nuremberg, served to mark the flowering of Nazism as an international—if nationalistic—creed; in

fact, this congress is now to National Socialism what the Comintern is to communism.

The mood of the meeting was jubilant; Der Fuehrer had good news for the delegates: Germany had regained "full arms sovereignty"; the loathed Treaty of Versailles had been virtually expunged; Jews were denounced as the source of all bolshevism, and the accomplishments of National Socialism had been fulfilled "without the existence of a single Jew in the nation's spiritual leadership."

Hitler laid down a policy for the next four years which was alternately reassuring and disturbing to the outside world. He did not want either internal or external war, and there was no mention of the question of German minorities. At the same time, there was to be no mitigation of the struggle against communism. Germany had a full and just right to colonies; she would gain them if, as, and when the opportunity presented itself.

News from Abroad

If Hitler had cheering news for the assembled Nazi enthusiasts, the delegates and visitors from abroad might have told Der Fuehrer equally encouraging stories.

True, Mussolini was not there, but the possibility of his presence gave assurance that Italy could be regarded, if not as an actual ally, at least as a benevolent neutral—and that is all Herr Hitler wants. Former Premier Lloyd George had come from England, ostensibly to study the unemployment problem; he could have yielded the information that the strength in English politics of the pro-German elements would effectively prevent Great Britain from "cracking down" on the Nazis. Pierre Laval could have brought the news that the "semi-bolshevist" Blum was being sorely harassed by the com-



Keep Your Balance, Boys, It's Warmer Down Below.

—*Glasgow Bulletin*

munists to his left, while the fascists had found a new and promising leader in the person of Jacques Doriot—a most valuable ally in that he had once been a communist and had all the inside information on Soviet activities.

Berlin to Bagdad

And the delegates from "Mittel-europa" had even better and more substantial news.

In Hungary, anti-Semitism and fascism were flourishing both in the German and the native Nazi movements. The firm hand of Premier Goemboes had been weakened by illness, and it was rumored that he might be obliged to retire. Regent Horthy had had an interview with Hitler, in which he had demonstrated that Hungary was a necessary outpost for the Reich because geographically it was in a strategic position to cut the communications between Russia and Czechoslovakia, which could bring Soviet

troops to the German border. German assistance in rearmament would round out a four-power fascist bloc—Germany, Italy, Austria, and Hungary.

For the first time, delegates from the Little Entente nations were at the congress. They could report that their respective nations faced the coming Little Entente conference with an unprecedented lack of unity.

In Rumania, pro-Nazi agitation, led by Herr Fabrizius, the "Transylvanian Hitler", culminated in the ousting from the cabinet of Nicolas Titulescu, for long an ardent friend of France and of the League, and more recently an advocate of closer relations with Russia. Incidentally, it will be remembered that, when Titulescu condemned as "barbarians" the Fascist journalists who jeered at Haile Selassie in Geneva, the Italians promised revenge. Now, with German assistance, they appear to have attained their objective.

Consequently, Nazis could point with pride to almost complete surroundment by their allies of Czechoslovakia, hitherto the member of the Little Entente most loyal to her former allegiances. Cut off from her ally, Russia, by Rumania, that unfortunate country may be obliged to make concessions to the Nazis in the form of an autonomous province for the Sudeten Germans—possibly in conjunction with a non-aggression pact with the Reich.

Since the war, Yugoslavia has needed economic assistance. France is notoriously tight-fisted with her allies; Germany is not. Dr. Schacht's magic touch has helped the Yugoslavs; arms orders placed with German firms are an even more significant weathervane of the trend of foreign policy.

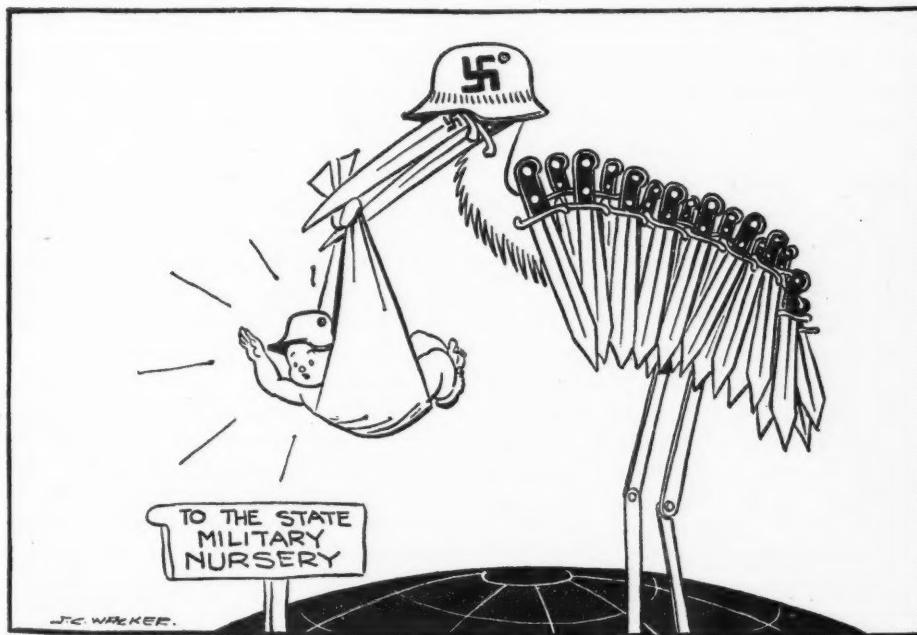
With Bulgaria in the balance and Greece in the fascist fold, members of

the fourth National Socialist Conference justifiably could sit back and regard the pleasant revival of the all-German Berlin-to-Baghdad road as something more than a pipe dream.

Poland Wonders

Where Yugoslavia begged in vain, Poland apparently has succeeded. Alarmed by the rapid growth of German power in Central Europe, and with Colonel Beck's star (which customarily revolved in the Nazi orbit) on the wane, Poland looked to France and was able to obtain a needed loan as the price for the revival of the almost forgotten Franco-Polish alliance.

The desperate efforts of both France and Germany to pull Poland to their side of the fence threaten to rend that country from stem to stern. For the moment, the pro-French Generals, led by Rydz-Smigly who is regarded as



GERMAN STORK OF THE FUTURE

—Western Mail and South Wales News

Pilsudski's political heir, have the upper hand. Internally, the Government is suppressing by force the seething economic discontent, which has been accentuated by its own deflationary economic policy.

Opposition from the Right comes from the nationalistic and anti-Semitic National Democratic Party and the National Radical Organization; this is supported by pro-Nazi propaganda and by the traditional Polish fear and hatred of Russia. On the Left, economic distress is driving the peasants and workers towards the idea of a "Popular Front", composed chiefly of the Socialists and the socialist factions of the minorities.

The Army can keep the Government in power, but the continuance of present economic conditions combined with the forces playing on Poland from abroad make the Administration's position increasingly insecure. Poland may provide the next continental upheaval, and the results inevitably will affect her foreign policy. However, even the proposed Popular Front regards the communists with circumspection; in the event of a straight choice between Germany and Russia, Poland is likely to choose the former as the lesser of two evils, whatever internal developments take place.

I. P. R. Conference

The Pacific problem can bear the brunt of responsibility for the huge increases in the American arms bill. It was therefore appropriate that the fourth biennial conference of the Institute of Pacific Relations should be held in the United States at Yosemite Park.

The Institute of Pacific Relations essentially is a private body for the discussion of international affairs. It is a sort of federation, composed of organizations operating in those nations which are interested in the Pacific—notably,

the Royal Institute of International Affairs in England and the Canadian Institute of International Affairs.

Delegates to the conference speak unofficially, although their words gain authority from the prominence of most of them in some branch of public life. And it may be assumed that the Japanese and Russian members at least speak with government approval.

Such conclusions as the conference may reach are not automatically translated into political action; the meeting is held essentially for the purpose of thrashing out and comparing the respective attitudes of the countries represented.

Far Eastern Problems

The main discussions at the conference centered around three subjects: problems in the Pacific, Russo-Japanese relations, and Sino-Japanese relations.

Under the first head, the most significant contribution was the Japanese suggestion of a treaty with Great Britain and the United States guaranteeing the independence and neutrality of the Philippines. This went some way towards removing the anxiety of the Philippine delegates, who were not altogether anxious that the States should remove her guns and forts, and of the English, who felt that they might have to protect the islands as soon as the Americans moved out.

There was more controversy under the second head. The Russian delegation accused Japan of dividing the world into two spheres of policy: "In the Occident," they inferred, "Japan does not desire to use force; in Asia, Japan is not unwilling to use force." An interesting prediction was that, in order to appease the younger military elements, Japan may be obliged to move in the direction of socialism; hence, economic doctrines may well be-

come less important as a source of conflict between Russia and Japan.

Not unnaturally, most feeling entered into the discussion of Sino-Japanese affairs—the dominant problem before the conference. At first, the Chinese were extremely loath to comment upon any aspect of Japanese policy and, when the subject first came up, there was a mutual admission of the need for cooperation. It remained for Dr. Hu Shih, the Chinese delegate, to introduce the fireworks by declaring that war was the only solution, asserting that China was now 90% unified in spite of Japanese obstruction. Anxious not to become the scapegoats of the conference, the Japanese admitted mistakes in their Chinese policy, but claimed that China had also been at fault. On this inconclusive and unhopeful note, the discussion closed.

Far Eastern Events

Concurrently, the problems discussed at Yosenite became more intense in the Far East.

In Manchuria, it was estimated that pro-Japanese armed forces had been brought up to an equal strength with the Russian forces—approximately 300,000 men. Border incidents roused protests from both sides.

In China, Chiang Kai-shek proceeded with the task of unification; the generous terms offered Kwangsi for her co-operation measured his desire for solidarity. At the same time, the increasingly belligerent feelings of the Chinese were reflected in the mob killing of three Japanese.

In the Pacific area, two straws in the wind are worth noting. The appointment of an admiral as the Japanese Governor General of Formosa emphasized the southward policy of the Japanese Navy, paralleling the continental expansion of the Army. As an answer to this, the figures released by

the State Department giving the exports of arms from the United States for the month of July show the Netherlands Indies as by far the heaviest purchasers, accounting for \$1,288,000 worth of machine guns and, more particularly, aircraft.

China, incidentally, was the second largest purchaser, with \$660,924 worth of aircraft engines, guns, and ammunition.

Recovery?

According to the survey of August 15, published by the Foreign Policy Association, the world has climbed two thirds of the way back to the 1928 norm, as judged by statistics of industrial production.

Russia leads the parade, her 1935 production being substantially more than triple that of 1928. Japan can thank currency depreciation and cheap manufactures with the consequent effect upon exports, and heavy expenditures upon war preparations, for second place. These two countries are followed by several of the smaller European nations; their position they owe to the shift to industries from agriculture, due to their economic nationalism, rather than to a return of prosperity. Next in the march comes the sterling bloc; the leading member, England, is well above the 1928 figure. The United States is well down the list, having climbed back only 55% of the way to the 1928 level. Lagging behind all are the gold bloc nations.

In 1935, world unemployment stood at the index of 193 (1929 = 100), as compared with 291 at the depth of the depression in 1932. In 1935, the United Kingdom showed an average unemployment figure of 2,028,000 in contrast to 2,856,000 in 1932; the American figures for the same years (A. F. of L. estimates) were 12,199,000 and 13,723,000 respectively. German

unemployment showed the most marked drop, although this can be explained largely by the numbers employed in the Army and in labor camps. Wage scales have recovered moderately, and it is estimated the real wages are

higher than in 1929. Recovery in prices has not been substantial.

Characteristics and Qualifications

The most striking feature of the recovery movement is that it is essen-



Let's hope no spark sets off the lot

—*Glasgow Bulletin*

tially nationalistic; world trade, measured by physical volume, has recovered only a quarter of the loss suffered during the depression. Tariffs, quotas, and all the ingenious machinery of economic nationalism still abound; international currency stabilization is still a remote prospect, while further disturbances may ensue if, and when, the gold countries decide or are forced to devalue.

That is to say, recovery is most secure in those nations which are relatively independent of international trade, the U.S.S.R. and the United States being the most conspicuous examples. Elsewhere, less fortunate nations will have to make adjustments. These will affect most severely the important exporters; for the importing countries have already built up under tariffs industries which they will not let go. Thus the pattern of recovery is national; a revival of trade to a pre-depression level is highly improbable.

War preparations also characterize the progress of recovery. Vast expenditures upon the materials of warfare inflate the figures for production and employment. And, working alongside, this artificial and unhealthy stimulus, the fear of war acts as a deterrent to the promotion of legitimate enterprises.

SCIENCE

OZONE is no longer applicable as a synonym for the purest of pure air. High hopes have been held out for its beneficence. Some believed that one day it might prove beneficial in the treatment of pulmonary disease. However, from now on ozone must be discarded as "pure air to breathe." For after years of labor, researchers report that the earth and its atmosphere are enclosed by an envelope of poison gas

not unlike the war gas, chlorine. And the poisonous gas is none other than the mantle of ozone encircling the air we breathe.

This does not mean, however, that ozone is no longer an essential life-saver. At the height of approximately fifteen miles, the envelope of ozone screens fragile humanity from the more dangerous radiations of ultraviolet rays from the sun. But this same ozone, evenly distributed in the first mile of atmosphere, according to research, would destroy "all the higher animals in a few days, if not a few hours."

The most recent investigations are reported by Professor H. P. McDonnell of the University of Maryland. According to Professor McDonnell's experiments, low concentrations of ozone shortened the lives of guinea pigs; and those guinea pigs which had also been inoculated with tuberculosis died still sooner.

"Ozone," according to Professor McDonnell, "is extremely poisonous when inhaled in higher concentrations. It is a violent irritant of the mucous membranes and reacts chemically with the mucus to form a thick froth which, when the higher concentrations are used, stops the air supply to the lungs almost completely in a minute or two.

"There is no indication that the ozone is absorbed and acts as a systemic poison. In lower concentrations the result is pneumonia and bronchitis which may or may not result fatally.

"It is impossible, of course, to say just how much a lethal dose of ozone is. Certainly one-tenth milligram per liter of air is highly dangerous if inhaled for as long as one hour. For daily routine a concentration of one part per million, by weight, is undesirable, and probably dangerous. One tenth of this amount probably would be harmless.

"A German scientist has reported that five-tenths part of ozone per million produces distinct irritation, while one part per million after one and a half hours causes an irritating cough and serious fatigue.

"Ozone has been suggested as a war gas, and its high toxicity and specific gravity are in its favor for such use. However, the great difficulty and expense of preparing it in its pure form, together with its instability, making it impossible to store it under pressure, at once rule it out for such purpose.

"The poison gas nearest related to ozone is chlorine. While we have not made any experiments in regard to the toxicity of the latter, work of others indicates that ozone is the more toxic."

Health and Industry

A recent symposium on health, held at Harvard School of Public Health, was unique inasmuch as it treated primarily of industrial health and less of industrial efficiency through health. Doctor Lawrence T. Fairhall, Assistant Professor of Physiology at Harvard, pointed out the hazard to workmen of toxic fumes given off in chromium plating—an industry introduced to the world in 1927. Painful skin afflictions known as "chrome ulcers" and caused by the action of chromium compounds on broken places in the skin, were said to be a dangerous result, becoming more prevalent in chromium plating.

Injury from exposure to dust or liquor was revealed at the symposium as a monstrous agent of destruction when industry is viewed as a whole. Healthy workers, after a short acquaintance with these elements, are shoveled on the industrial scrap-heap.

For instance, the chromium worker is exposed to spray or mist carried into the air by bursting bubbles over the plating vats. Doctor Fairhall recorded that because of the rapidity with which

ulcerations appear, the labor turnover in this industry is said to be high.

Among the more dreaded of industrial dusts is silica dust. Doctor W. Irving Clark of Harvard reported that 500,000 workers are exposed daily to a harmful degree and are in constant danger of contracting silicosis and its attendant afflictions. Even more depressing is the knowledge that medical science holds no hope for the victim of silicosis. Any remedy must be preventive. But unfortunately the symposium also demonstrated that exhaust hoods and control of air movement, at the present rate of exchange, are more expensive than human life.

Social Values At Work

One of the most interesting of all experiments discussed at the health symposium was that reported by Drs. Lawrence J. Henderson and Elton Mayo, of Harvard, who studied the effect of social conditions on the work of five girls assembling telephone relays at the Hawthorne plant of the Western Electric Company. The five girls, with their consent and cooperation, were studied over a period of five years. They worked in a special room; they were allowed to converse freely; their output was tabulated minute by minute and day by day; their conversations, mutual relations, home situations, and leisure activities were all recorded.

Wave-like irregularities were observed in output which lasted sometimes for months, sometimes for only a few minutes. They were not related to any change in physical circumstances, such as temperature or the physical state of the worker. However, the speed of work varied markedly with the change of the girls' feeling towards each other, towards their supervisors, and towards the group as a whole.

With a change in seating arrangements separating two friends, or gen-

erally disturbing neighborly relations of the group, the work output was lowered. When one of the workers, after several years, left the company and was replaced by another girl, even though the latter had a friend in the group, a general disturbance in the tone of group relationship existed for three months. At the beginning of the economic depression a marked drop in output was noted. When questioned, the leader of the group irrelevantly explained this lowered productivity: "We lost our pride."

Further peculiarities in the group demonstrated that when one of them was dispirited and slowed down in her work, her neighbor or best friend also slowed. However, in the case of two unfriendly girls, a reverse effect was noted; when one worked quickly, the other worked slowly and *vice versa*.

As a result of their studies, Drs. Henderson and Mayo caution administrators against too many and too rapid changes in work arrangements. Although these changes may be logically expected to increase efficiency, they actually will decrease efficiency because they upset the worker's feeling about his work and the world he lives in.

Nose Spray for Paralysis

Equipped with a new nose spray developed by Dr. Charles Armstrong and Doctor W. T. Harrison, United States Public Health Service officials have successfully combated a mild epidemic of infantile paralysis in Alabama and Tennessee. The spray, an alum-picric acid nasal instrument, received its first large-scale application in this epidemic.

Without attempting a controlled experiment the spray was administered to those who desired it and who could be treated with the available facilities. In the future a more scientific study will be made with a "normal" group in which the diseases will be given an unhampered chance to spread.

Recently, however, Drs. Armstrong and Harrison have completed further experiments on monkeys with their picric acid-sodium alum nasal spray. And though monkeys still remain the basis of their exact experiments, results indicate that children and adults may fare as well. Previously the reason picric acid-sodium alum afforded protection against infantile paralysis virus was not known. Nor was it known just what mixture of either afforded the best protection.

The doctors now report that the nasal spray prevents the infantile virus from passing up the olfactory nerve in the nose (a common passage through which the virus makes an entry) by coagulating the protein membranes which line the nose, as well as the mucus secretions which coat these membranes. It was discovered that an application of the solution in a test tube to a serous fluid from the body coagulated the fluid to a degree where the test tube could be inverted without spilling.

Concerning the proper combination of picric acid and sodium alum, the doctors report that after experiments with a less acid solution which failed to coagulate the serous fluid they now have obtained the formula offering maximum efficiency.



Gendreau

*Towards
Industrial
Democracy*

by
John L. Lewis

THE current movement to organize the steel workers into an industrial union should have a profound significance to all Americans who cherish liberty and democracy. It transcends the ordinary objectives of a traditional labor-union organizing campaign. In its fundamental aspects, it marks, in reality, the beginning of a modern crusade for the industrial and political emancipation, not only of the two to three millions of our fellow citizens who work or live in the iron and steel manufacturing communities of the United States, but also of the much greater multitude of industrial workers who are employed in the other basic industries of the country.

The epoch-making developments of the past six years, in our own and other countries, have clearly demonstrated to our more disinterested and thoughtful labor leaders two vital facts: (1) that the American labor movement, as based on the craft-union principle of organization, has become fundamentally ineffective in the face of modern conditions; and (2) that the needs and aims of wage and salary workers as to compensation, hours of work, and living standards, together with the recognition and establishment of the essential principles and guarantees of industrial democracy, can never be

realized until sufficient economic and political strength for effective action has been attained by means of the organization of our mass-production workers into industrial unions. It was entirely due to the compelling force of these considerations that the Committee for Industrial Organization was brought into being, despite the opposition of the Executive Council of the American Federation of Labor.

Industrial Revolution

The movement for the promotion of industrial unions is not opposed to established craft unions. These types of labor organizations are the out-growth, as a rule, of a period in American industry of more than a half century ago. At that time industrial undertakings were small and highly localized. Human skill and training were the dominant qualities required of the operating forces.

Revolutionary changes in our basic industries during the past quarter of a century, however, have rendered a general change from craft to industrial unionism absolutely necessary. The size and productive capacity of industrial plants have been vastly increased. Industrial undertakings have assumed a corporate form, the capital of which has been furnished by thou-

sands of widely scattered stock and bondholders. At the present time these corporate units, situated in many States and localities, are, in turn, owned and controlled by national holding companies. Management is impersonal and usually detached from ownership. Its methods and policies are, as a rule, determined by private banking houses which furnish it with needed capital and credit facilities.

The productive methods and facilities of modern industry have also been completely transformed. Automatic machines and processes are now the predominant factors. Machine operatives, who may be recruited and trained within a short time, as a rule, constitute, along with unskilled employees, more than three fourths of the operating forces. Skilled artisans make up only a small proportion of the workers.

Obviously the bargaining strength of employees, under these conditions, no longer rests in organizations of skilled craftsmen. It is dependent upon a national union representing all employees—whether skilled or unskilled, or whether working by brain or brawn—in each basic industry.

Craft Unions Fail

As our big, modern industries developed, repeated efforts by craft unions to organize their operating forces also met with failure. Even coalitions of all crafts, formed to cover an entire industry, as in the movement to organize the iron and steel industry in 1919, were ineffective because of rivalries and jurisdictional disputes between the different craft unions, and for the further reason that common laborers and the semi-skilled workers felt that skilled crafts discriminated against them. Moreover, after the World War, and especially during the prosperous and active "new era" of 1923-1929, no advance in membership

or real gains in wages and working conditions were made by the craft unions. Finally, under the favoring influence of the guarantees of Section 7 of the Recovery Act of 1933, accompanied by spontaneous uprisings and protests of unorganized workers, the craft unions were unable, or made no attempt, to organize the basic industries.

When the industrial depression occurred in 1930, craft unions were thus without any footholds in our basic industries. Outside the building trades, they had found refuge mainly in industries sheltered by public policy, such as navy yards, shipbuilding, and steam railroads, or in small, and more or less local, manufacturing establishments. Out of a possible organizable membership in 1933 of at least thirty million gainful workers, the American labor movement under the American Federation of Labor had not, during a period of more than half a century, organized more than ten percent. Where the need was most acute for strength and service—in the mass-production industries as a whole—there was practically no organization.

When the federation's annual convention met in Washington in 1933, a determined but unsuccessful effort was made to secure authorization for the organization of the workers in the basic industries. In 1934, a repetition of this effort resulted in the San Francisco convention directing the Executive Council to organize iron and steel, automotive, and rubber industries. Nothing was done, however, by the Executive Council. When in 1935 the convention of the federation was held in Atlantic City, although the Executive Council was again directed to inaugurate a drive for the unionization of mass-production workers, it became evident soon after the convention adjourned that the old policy of plausible

excuses and inaction was to be continued.

As a consequence, seven of the largest unions of the federation, with a combined membership of slightly more than a million, organized the Committee for Industrial Organization and entered actively into a campaign for the unionization of the employees of the iron and steel and other basic industries.

Aims of the C. I. O.

The primary objective sought is the improvement of the working and living standards of mass-production employees by the development of industrial unions coterminous with industry in extent of organization and coequal in economic power with management. Through such unions, genuine collective bargaining with representatives of mass-production industries may be established, due consideration and emphasis, as a matter of course, being given to joint cooperative effort and increased industrial accomplishment.

The other fundamental objective sought is the development of effective political organization and strength by the labor groups, whether hand or brain workers, to the end that it may be used in cooperation with other unselfish groups of our people in establishing sound measures of industrial democracy, and in bringing about other social, economic, and humanitarian reforms which are traditionally and indissolubly associated with the ideals and aspirations of our self-governing republic. The conviction that these objectives should be attained has come to many labor union executives as the result of their observations and experiences during the period since the World War. It has been apparent to them that American industrial management—engineers, chemists, and other technicians, as well as executives—established such a remarkable record



JOHN L. LEWIS

of industrial organization and accomplishment during the ten years immediately following the War as to make America the marvel of other industrial and commercial nations. On the other hand, it has been equally clear to many labor leaders, and profoundly deplorable to them, that operating management itself has not been able, as many of its members have undoubtedly desired, to have industry function in an enlightened way both for itself and for the common good. The reason is that our basic industries have been, and still are, controlled and their policies determined by a small, inner group of New York bankers and financiers.

Industrial executives are but the outward agents of this financial dictatorship. They are not permitted to recognize the rights of industrial workers

to economic freedom. They must keep labor costs at a minimum. They are fundamentally required, regardless of humanity or democracy, to hold to a program of immediate maximum profits.

Organized labor has suffered from the selfish and short-sighted policies of this financial dictatorship. It produced the breakdown of 1929 by refusing to allow the wage and salary workers sufficient purchasing power to keep the wheels of industry going. It was responsible in 1930 for the inauguration of the disastrous policy of wage deflation. Finally, in 1934, after stability had been assured through the National Recovery Administration, it refused to permit its representatives on the Code Authorities to approve a policy of shorter hours, higher rates of pay, and minimum profits so that genuine economic recovery might be assured.

Even as far back as the winter of 1927-1928, when four million men and women were thrown out of employment through the short-sighted policy of this financial hierarchy, it had become apparent to disinterested economists and thoughtful industrial leaders that industry could not govern itself in the public interest. There was no coordination of production and consumption and no correlation as between different industries, with the exception of iron and steel manufacturing and similar industries, where inner monopoly price and production controls had been developed.

Moreover, industry as a whole in relation to mass purchasing or consuming power, was greatly over-capacitated. As is well known, at the height of our so-called prosperity in 1929, our manufacturing establishments were operating at only 80% of capacity. Coal, petroleum, and other extractive industries, at the same time, were over-developed to the brink of wasteful and

unprofitable chaos. Also, in 1929, it has been estimated, at least three million industrial workers had already been displaced by mechanization and technological improvements. Those in financial control of industry, however, just as they could not see the necessity of reducing per-unit-of-output profits in order that increased mass purchasing power might enable our mills, factories, mines, and farms to forge ahead with a constantly greater volume of production and profits, likewise were blind to the wisdom of reducing hours of work in order to reemploy technologically displaced workers, and thus prevent a decrease in mass purchasing power from sapping away the foundations of continued prosperity.

Similarly, when confronted during the winter of 1932-1933 with the necessity of saving themselves from the avalanche of deflation which they had started in 1930, this financial and industrial leadership exhibited the same restricted and selfish incompetence. They petitioned Congress for permission to stabilize prices and production by a suspension of the anti-trust laws without any guarantees against exploitation to workers and consumers. Finally, when they felt assured that they had been saved from the results of their own continued follies by the National Recovery Administration and other agencies of the New Deal, this same unenlightened group immediately inaugurated a movement to free finance and industry from all forms of governmental regulation.

Need for Democracy

It is for these reasons that organized labor has determined that this sinister financial and industrial dictatorship must be destroyed. Through the formation of industrial unions it seeks to acquire political organization and strength to contribute toward this end.

in an orderly American way. Labor's aim is to have a free America for the future, both politically and industrially.

It has not been without forethought and careful consideration that the opening campaign for industrial unionism has been directed against the iron and steel manufacturing industry. The employees themselves of this industry grievously need help. For more than three decades they have been reduced to a condition of industrial servitude. They have been without political or industrial freedom. Their average earnings have also been far below the minimum requirements for American standards of living.

The direction of the United States Steel Corporation for 35 years has been under the control of J. P. Morgan and Company. This private banking house is not only the public symbol, but also the actual head, of the financial dictatorship. The steel corporation was organized by a Morgan syndicate in 1901, for which an underwriting fee of 150 million dollars was received. Into its original capitalization was injected approximately a billion dollars of fictitious stock. From the beginning, the large monopoly earnings of the corporation have been used to pay dividends, to the amount of one billion, two hundred and forty million dollars, on this fictitious capitalization; to retire 150 millions in preferred stock, and 303 millions in funded debt; and to acquire additional plants and facilities for the benefit of common stockholders to the amount of approximately 800 million dollars. In 1927, the corporation also declared a special stock dividend of 203 million dollars which was charged to earnings.

Altogether, during the past 35 years, the steel corporation, under Morgan

management, has used its profits, after paying legitimate capital charges, to the amount of two billion, six hundred million dollars, or 78 million dollars a year, to make cash disbursements to the holders of fictitious securities, or to place physical values back of securities which were originally "water." In other words, the monopoly earnings and increased productivity of the United States Steel Corporation have been improperly diverted to the financial interests which originally organized the corporation and distributed its securities. Had these surplus earnings been used for wage and salary workers, as they should have been, at least in part, the operating forces of the corporation would have been paid 25% more than they actually received during the past 35 years.

Today the House of Morgan is still in direct control of the United States Steel Corporation, and thus, indirectly, of the entire iron and steel manufacturing industry. Through its banking and financial affiliations it also exercises a preponderating control over the money and credit of the country. It is also predominant in the power, electrical equipment, farm machinery, radio, rubber, motors, transportation, and many other basic industries.

From these Morgan interests has emanated during the past two years intense and fundamental opposition to industrial democracy and to all other constructive economic and social reforms. The iron and steel industry, in brief, is the industrial stronghold of the Morgan group. As a consequence, when industrial democracy is established in steel, as it undoubtedly soon will be through organization of an industrial union, the main obstacle to its wider application will be removed.

MEN AND STEEL

BETTER UNORGANIZED

By John Raymond Hand

"TO BE or not to be!" That is the question which faces the great body of unorganized steel workers. Under the leadership of Mr. John L. Lewis, President of the United Mine Workers of America, organized labor purposes to spend some half a million dollars to press their invitation to us of the steel industry. Shall we accept that invitation? My vote shall be cast in the negative.

It is only fair to Mr. Lewis to say that I am just as heartily opposed to the craft union plan of the Federation of Labor as I am to his industrial union plan. To me the very spirit of unionism is un-American. It is builded upon the idea that the individual worker is neither wise enough to know his needs, strong enough to obtain them, nor skilful enough to hold them. It lowers ability to one common level. It dwarfs genius, stifles initiative, and kills ambition. It reduces a man to the position of an automaton moving only as the master mind of the organization wills. Unionism has never yet, nor will it ever, produce a Franklin, an Edison, a Marconi, a Wright, or a Ford. It places a premium on mediocrity and makes genius a crime. It places the highly skilled workman on exactly the same basis as the bungler. It taxes the efficient to pay for the mistakes of the slipshod and careless. It denies the fundamental principle of Americanism that men are free.

However, the present question concerns the industrial plan suggested by Mr. Lewis and I shall explain my

negative vote as briefly as possible. I am opposed to this plan for various reasons, but I shall mention the four which I consider the most vital.

Mr. Lewis' Motives

First: I am opposed to it because of the vague and uncertain motives behind the proposal of Mr. Lewis. I am morally certain that the great body of unorganized steel workers did not ask the United Mine Workers of America to "come over into Macedonia and help." Then why this sudden impulse to spend their money so liberally? It seems to me that there must be an Ethiopian gentleman lurking about the fuel supply. The only answer which I have been able to evolve is that 500,000 steel workers paying an average of \$2.00 per month dues would mean a nice juicy melon of approximately \$1,000,000 per month for some one to divide.

What becomes of this money? The overhead expenses of the proposed organization would be trivial compared to this huge sum. It does not go into sick or death benefits. According to *The New Standard Encyclopedia*, Vol. XXIV, page 175, in the article entitled "United Mine Workers of America", this organization maintains no extensive system of fraternal benefits. Neither does this money go for strike benefits, although the organizers will maintain that it does. The by-laws of the proposed organization submitted to me during the last attempt to organize the steel workers provided strike bene-

fits only after the first thirty days of the strike. Inasmuch as that is considerably longer than the duration of the average strike, a very small fraction of this melon would go for the support of it.

It is possible that Mr. Lewis revealed his hand prematurely just after the late political conventions when, during a radio broadcast, he pledged the labor vote to one of the two major political parties. Certain it is that with his already enormous income from his twelve affiliated unions, augmented by this monthly melon from the steel workers, he might easily build up a political machine that would make those of European dictators look like child's play. But Mr. Lewis is not delivering my vote to any party. Nor do I purpose to pay him \$2.00 per month to enable him to entice any of my unwary fellow workers into his net.

Unionism an Economic Fallacy

Second: I am opposed to Mr. Lewis' plan because it is economically unsound. It proposes to work for higher wages and shorter hours. That sounds well enough, but it so happens that that is not what we need. Mr. Lewis overlooks or ignores one of the basic laws of economy. It matters little what the size of my wages may be; it is how much I can buy with what I get that really counts. The difference between my income and the cost of production is the real coefficient of my prosperity. There are but two elements that can increase this coefficient—efficient management and economical production. I have nothing to do with the management but I do have a part in the production. When I help to lower the cost of production, I raise my wages even though I receive the same amount on pay day. When I help to increase the cost of production

I lower my own wages though I actually receive more money on pay day. I cannot lower the cost of production by encouraging labor unrest. I do not need higher wages. I need to be let alone. When all the collegiate theorizers, the political fence-builders, and the professional agitators go fishing somewhere, the natural economic adjustment will solve my problem. The cost of production will sink below the level of my income and two things will inevitably follow: my income will buy more, and my employer will produce more; thus he can raise my wages and will do so in order that I may purchase his product.

Third: I am opposed to the plan because it calls for a closed shop and the inevitable weapon of the closed shop is the strike. The strike is indefensible from any angle. It is primitive in concept, unjust in design, tragic in execution, and devastating in results. It is in itself a confession of the weakness of the cause it purports to support. It encourages vandalism, sponsors sabotage, defends sedition, and ignores mayhem, mutilation, and murder. It overrides all the principles of civilization and breaks every basic law of humanity in its mad, insatiate greed to accomplish its purpose. It is an unholy juggernaut crushing the life out of the votaries who have created it.

If I, with a number of my fellows, should go to the home of the president of our company, take him prisoner, and hold him until he paid us a ransom of \$50,000, the law would very justly hold us guilty of conspiracy to kidnap and extort. Yet if we same men tie his hands industrially by a strike and force him to pay us higher wages, we would be acclaimed as public benefactors. To my benighted mind there is no difference. As far as I can see, it is just as criminal to hold up a man and extort money from

him, whether the act be enforced with a club, a battle-axe, a tomahawk, a gun, or a strike. Certainly any agreement reached by such a method should not be called collective bargaining.

Unions Have Failed

Fourth: I am opposed to the plan because the history of the large industrial unions is one of utter and abject failure. It happens that I lived for the greater part of my boyhood and young manhood in the heart of one of the largest bituminous-coal districts. I remember the birth of the United Mine Workers well and was a personal eyewitness to the early struggles of that organization. I was one of the child victims of the long bi-yearly vacations while the labor czars argued and the men and their families starved. And what has been the result of that long and bitter struggle? Take a ride through the coalfields today and gaze upon the abandoned tipples, the deserted villages, and the vacant store rooms that stand as an eloquent commentary on the effects of Mr. Lewis' plan. Would to God that they might be its epitaph.

I have just returned from a vacation spent in the old home district. While there I talked with some fifty mine workers. I realize that statistics gathered from such a limited source would be subject to question, yet a very small weathervane will show the direction of the wind. These men averaged last year a little over \$500 out of which they paid the organization an average of \$36 for the privilege

of working. No, I am mistaken. They did not pay the organization; this amount was checked out of their wages. The organization takes no chances where its own income is concerned. Our district may have been a little lower than a general average; yet, considering that coal mining is a seasonal industry, the above amount checks very well with Mr. Lewis' own admission that during last March, one of the peak months, miners averaged \$22 per week.

How does that compare with the conditions in the unorganized steel industry? Last year the hourly workers in our plant averaged a little over \$1200. That figure includes all unskilled labor, which is the lowest paid of all. In addition, practically all of these men received a paid vacation of one or two weeks, depending on their length of service. And not a man was required to pay a single red penny to anyone for the privilege of working.

What can I gain by organization? My wages are higher and my conditions better than those maintained under organization. I am more than willing to help the United Mine Workers, if that be the plea, but it is not necessary to get down into a ditch with a man in order to help him out. I am out and I prefer to stay out. I shall do my best to prevent a repetition in the steel industry of the devastating war which I have witnessed in the mining industry. Therefore, speaking as one of the great silent majority of unorganized laboring men, my vote on the question of organization is "No."

MEN AND STEEL

The MAJORITY Must Rule

By William Green

THE public mind has become greatly confused over the issue which has developed between the American Federation of Labor and the Committee for Industrial Organization. It has been alleged that the fight is based upon the question of industrial versus craft unionism, and that the president of the American Federation of Labor rigidly stands for the exclusive application of the craft union plan while the chairman of the Committee for Industrial Organization stands for the exclusive application of the industrial plan of organization. This impression is wrong. The fact is that the American Federation of Labor has applied and will continue to apply both the industrial and the craft union form of organization in all its organizing activities. It fully recognizes that, while industrial processes have changed, human nature remains the same. Skilled workers still wish to utilize their skill and training and, as key men, use their acquired skill, genius, and training to secure for themselves the highest wage possible.

This human equation must be taken into account in the application of either the vertical or horizontal plan of organization. The American Federation of Labor favors and applies both the craft and industrial form of organization in all its organizing activities as each peculiar situation may require and as circumstances will permit. The so-

called industrial union issue, which has been so strongly emphasized by the representatives of the Committee for Industrial Organization in the steel organizing campaign, falls flat under the light of analyzed facts. These facts warrant careful examination.

What the Federation Has Done

The American Federation of Labor has functioned and served labor without interruption during all the period intervening between 1886, when it was formally established, and the present date. It is now one of the great institutions of our nation. Its ramifications reach into every community, village, city, and state. Its progress is based upon the best counsel and advice of those who have been connected with it through its development and growth.

Obviously it must depend for its success upon service to the workers, upon the loyalty and devotion of those who are associated with it, and the sympathetic help of its friends. It is strong in proportion to its ability to unite and solidify and develop the economic strength of the working men and women who become associated with it. If it is forced to engage in family quarrels and internal dissension, it becomes proportionately weakened. It cannot depend upon strong financial institutions or upon the accumulation of material wealth for its existence, but must rely upon the support of work-

ing men and women associated with it. For this reason it will be readily understood how dissension of the kind existing within our organization weakens itself, strikes a severe blow at the very heart of the movement, and does great injury to all men and women within the ranks of labor.

I am indeed deeply concerned at the moment over the controversy that now exists within the ranks of labor, and over the threat to the future as we face it. It is commonly stated that it is a disagreement over the organizational course that should be and ought to be pursued by the American Federation of Labor. That is not true. I place upon that statement all the emphasis I possess.

The men and women of the organized labor movement will defend both forms of unionism. I would religiously stand with my colleagues defending the economic philosophy of those who believe in the industrial form of organization. On the other hand, I will stand by those who are members of the American Federation of Labor, who have always been identified with it, and defend the craft form of organization. We have found from experience there is plenty of room within the American Federation of Labor for the application of both plans. We have applied them both. We are applying them both.

Majority or Minority Rule?

The real issue is this: Shall the American Federation of Labor, the organized labor movement of America, follow democratic procedure? Shall the movement be governed by majority rule? Shall the will of the majority of the membership of organized labor be the supreme law of the American Federation of Labor?

At the Atlantic City 1935 convention the representatives of labor of the

United States and Canada met, with authority to speak for the working people who hold membership in the American Federation of Labor. In the convention, which is the supreme authority within the American Federation of Labor, policies are formulated and drafted, adopted or rejected. The American Federation of Labor is an open forum. There is no more democratic institution in the land than ours. The convention is the supreme court of labor, the place where the laws of the American Federation of Labor are evolved, where policies that the Executive Council is commanded to carry out are formulated and adopted. There is no appeal from the decision of the convention of the American Federation of Labor. This is surely democratic procedure. It is majority rule and in keeping with the spirit and the letter of our great democratic America.

Can any better way be offered? No great institution can live if it is to be governed by a minority or by factions, by those who disagree, individually or collectively, with a majority decision or majority rule.

At the Atlantic City convention the question of organizational policy was submitted. The committee chosen by the convention met, and those in favor of or against one policy and opposed to or in favor of another appeared and presented their views to the committee considering the resolutions. After mature deliberation and after every delegate had been given an opportunity to present his views, the committee made its report. That report was submitted to the convention and then, after the widest and most comprehensive discussion of the subject, a decision was reached. The organizational policy for the American Federation of Labor during the year 1936 was adopted by a vote of 18,000 for, to 10,000 against. The decision of the

majority became the law of the American Federation of Labor and is binding and obligatory upon every loyal and devoted member, particularly those who participated in the proceedings of the convention and submitted the issue for determination. If any change is to be made in that policy it must be made by the same authority that adopted it. Otherwise we have chaos and disorder; and no institution can survive under such a plan and procedure.

Policy of the C.I.O.

However, subsequent to the convention, a group which I think erred in its judgment formed an organization within the American Federation of Labor called the Committee for Industrial Organization. In the first official document issued by that organization, officered, formed, and financed, you will find this declaration:

"This organization is formed for the purpose of putting into effect the minority report of the Atlantic City convention."

In the light of that declaration, can there be any misunderstanding as to what is the issue?

The Executive Council of the American Federation of Labor commanded by the body that created it to carry into effect the decision of the majority of the delegates in attendance at the convention, is now faced with a new organization within the American Federation of Labor, organized for the avowed purpose of carrying into effect the minority report of the Atlantic City convention. We had to decide whether the American Federation of Labor shall rest surely and securely upon the principle of majority control, or tolerate an organization within the parent body organized for the avowed purpose of putting into effect a



WILLIAM GREEN

minority report that was lost by a decisive vote in the convention of the American Federation of Labor. Shall force or reason govern in the administration of the affairs of the American Federation of Labor?

There can be but one authority in a democratic institution. We refuse to yield or surrender to a minority. I have repeatedly said that none of the organizations that make up this Committee for Industrial Organization would tolerate for a single moment an organization within their organizations such as was formed within the American Federation of Labor, a minority which constitutes a challenge to the supremacy of the authority of their national unions.

It is loudly proclaimed in the steel campaign just launched by the Com-

mittee for Industrial Organization that all employees of the steel corporations must belong to the one union, big or little. The representatives of the C.I.O. announce that all machinists, electricians, building trades mechanics, railway employees such as engineers, firemen, and brakemen employed on branch lines owned by these steel corporations, and other miscellaneous workers, must, if they become organized, be turned over to the Amalgamated Association of Iron, Steel, and Tin Workers. However, none of these representatives will agree to turn over the coal miners and coke workers (over whom the United Mine Workers have been given jurisdiction by the American Federation of Labor) employed by the United States Steel Corporation, the Jones and Laughlin Steel Company, the Bethlehem Steel Corporation, and other steel companies, even though these workers may be key men, to the one big union. The same can be said of the other international unions concerned.

Need for Unity

The claim has been made that, if the workers in certain industries are given a certain form of organization, they will come running in, they will break down the barriers. That is not true. It is the fear of losing their

jobs; the opposition that comes from powerful corporations; the reports made upon those who show the independence and desire to join a democratic labor union, by spies. It is the discrimination, the persecution that working men are forced to undergo today, that keeps them from joining a union. It is not the form of organization.

I will do all I can to find a way to compose our difficulties and our differences. The Executive Council of the American Federation of Labor has faced the issue and declared in most positive terms that the industrial versus craft union dispute is in no way involved in its official decision. No organization will ever be suspended from affiliation with the American Federation of Labor because its members believe in or advocate the acceptance of either the industrial or craft form of organization, nor are any of the organizations which hold membership in the Committee for Industrial Organization asked to withdraw their indorsement or espousal of industrial unionism. Instead, they are asked to give up a dual union. They must choose whether they will remain with the American Federation of Labor or cast their lot with the dual, rival organization. The decision rendered by the Executive Council means they cannot belong to both organizations at the same time.

MEN AND STEEL

AS EMPLOYERS SEE IT

By William A. McGarry

STEEL workers regard themselves as the aristocrats of labor. For half a century, while organization has gone on apace in other industries, they have resisted unionization by men from outside of the mills. In song and story they have built up and perpetuated a tradition that no man can know about steel except by making it or working with it. An *esprit de corps* second to that of no other industry in the world is an inevitable corollary.

Executives of the steel corporations who have come up from the ranks point to this attitude of the men toward their work and their leaders as the most valuable single asset in the industry. Without it they are convinced that steel could not have made half its present progress. As it was put once to the writer by the late Elbert H. Gary, Chairman of the Board of the United States Steel Corporation, "there's management in every job." Steel executives believe they get more self-management out of their workers than any other large employers.

It is important to note this belief in an attitude on the part of workers essentially professional in its nature, in order to understand clearly why the modern steel company opposes outside unions, but does not oppose collective bargaining with its own men. It is the active policy of the industry to favor the existence of agencies in every plant for the direct presentation of grievances and their speedy settlement.

Collective bargaining is essential if

the boasted *esprit de corps* is to be maintained. But by the same token the spirit of individual achievement which steel has fostered must also be encouraged, for the basis of the steel man's attitude toward his job is the feeling that he is free. For that reason, the steel companies do not take the stand that any worker must or must not be a member of a particular organization. Men join such societies and unions as they choose, and no executive attempts to issue instructions one way or another.

With this point of view in mind, two principles stand out clearly in the attitude of the steel industry toward employer-employee relationships:

1. That collective bargaining may be conducted successfully only when it is direct between the company and the men, without outside intermediaries, excepting always the Government and in courts, in the administration of the law.

2. That there must be no intimidation, coercion, or force exercised by anyone whomsoever upon the worker to determine his attitude toward the company or toward any society of workers.

No Outside Interference

With reference to the first of these principles, long experience in all other industries as well as in steel has shown that workers in their relationship to their employers are concerned principally with four questions, in the fol-

lowing order of importance: (1) wages; (2) hours; (3) seniority; and (4) general working conditions.

As to the first two items, workers are generally well informed about what the traffic will bear. They try very naturally to get as much as they can for the least possible outlay of time.

In the mass production industries particularly, it is unusual, for competitive and other reasons, for employers to resist wage demands if the business in hand justifies increased expenditures. Enlightened management has learned that good pay attracts good men. When difficulties arise over wages today, therefore, it is usually because workers do not realize the cost of capitalization, without which their jobs would not be available, or because they do not realize the necessity for setting aside various reserves, without which no business can be kept progressive and solvent.

In such situations, when there is not outside interference, it is usually possible for management to lay its cards on the table, to show what costs are, to indicate the disposition of income, and to reach an understanding concerning wages on any related subject, such as vacations with pay. More and more in all industries workers are being taken into the confidence of management. When both sides are friendly, business details of a private nature may be discussed openly with the workers.

When an outside labor organization intervenes, however, the contention of the steel men is that the attitude must be altogether different. The outside organization cares neither for the continuance of the business nor for what happens to the men's jobs. It is only concerned with maintaining some uniform wage so that both management and the worker will always be under the authority of the union officials. The

objective is the preservation of the union.

This becomes particularly marked in instances where incentive wages are paid as rewards for more competent work. Such incentive wages usually give to the efficient, active, competent man the chance to rise in life. The unions usually oppose the worker who has initiative because they feel that work should be limited and that production per man be at a level within the ability of the least competent worker. It is impossible to operate any plant effectively on that doctrine.

In the steel industry, the question of hours has not been a pressing one, as the men have, during the past few years, been working too few hours for their own good or for the good of the companies. This condition cannot be corrected either by demands of outside organizations or by paternalistic good will on the part of the employer. It is a condition wholly dependent upon the market for steel and steel products. Nevertheless, the fact remains that the steel industry did carry workers on a spread-the-work basis, that it does pay additionally for overtime, and that for a period all questions of hours were controlled by the Steel Code.

More Orders the Solution

With regard to both of these questions, therefore, the answer given by steel men is quite simple: more steel orders, better prices, better earnings for the worker, better adjustment of hours. No union, they say, can solve these problems by demands. If there is a solution in sight, the representative of the employees meeting in the plant with management will solve it. Questions of wages and hours of a minor nature arise constantly in the plants and are usually settled amicably. The proof of this lies in the attitude of the

workers toward their jobs. For every man who complained about the old twelve-hour day there were dozens who bragged of their ability to work through it—or even through the twenty-four-hour shift of the swing. Steel has always paid good wages, and steel managers point out that there has been no serious labor dispute in the industry in seventeen years.

Now, with respect to seniority, certainly no outside organization can assist in the determination of such a question, in the opinion of steel executives. Seniority is essentially dependent, they contend, on plant efficiency and the general character of the work done by the individual. To push men upward or to keep them down because they do or do not belong to particular unions or lodges or churches or any other organizations would be to turn the shop into a bickering, quarreling, corrupt, political body. Such a condition would be intolerable. Management is aware of this—and the men know it.

As to working conditions, the steel industry prides itself on the advances it has made in substituting labor-saving devices in the true sense; that is, not to reduce the number of men employed, but to relieve men from inhuman toil, such as was inevitable in earlier stages of the development of mechanization. Actually, employment in the steel industry this year has reached the highest level in history, the figure of nearly 500,000 employees for all classes passing 1929 by a wide margin.

For the most part, steel factories are clean. Electrical and mechanical means are employed to reduce the physical labor of the individual worker. Industrial safety activities started in the steel industry, where safety appliances were first introduced. No one can deny that the highest development

of industrial safety has been achieved in the steel industry.

Social securities, schools, hospitals, pensions, housing, and other considerations for workers are not uniform among companies in the steel industry, as they cannot be in any competitive effort where the individual proprietor or management has independent control and pursues his or its own course. Nevertheless, if one takes the top plants employing perhaps as much as 80% of the men, it will be found that steel equals, if it does not far exceed, the average for the United States in these respects. How much more could an outside union win for the men than a company can afford to do? Most companies know, from experience, that it is wise and efficient to do as much as possible.

Against Coercion

Now we come to the second principle, the coercion and intimidation of workers. The steel managers say there must be equity with regard to that. It is not just to an employer, they argue, to say that he may not even speak to his men of their mutual interests, and yet to insist that some outside organization, some outside union leaders, can come along, with gangs and mass pressure and the use of fear devices, to force men into their union. It is not just to say to the employer that he cannot tell the men what the state of his finances is, or that taxes are high and therefore he cannot pay more wages, and then to insist that a union delegate is justified in frightening women and children because their husbands and fathers refuse to join a particular organization.

Mass production has not destroyed human relations in industry. Management in every forward-looking company wants to feel that the men in the plant look to the company as a friend

and as a protector. If the men, of their own accord, insist upon some outside intermediary, that is another matter. That has not happened in the steel industry in decades. Where there has been force and intimidation from the outside, very few men have responded to it. Most of the men have remained loyal to their individual independence and to their right to deal with management directly.

Finally, most unions in this country have had difficulties in holding their members and in collecting their dues. Whenever a union has been strong enough to enforce a closed shop, it has put through a contract requiring the business to collect its dues. The steel industry cannot become a dues collection agency. The men earn their pay and get it directly. No steel company is going to take away from a man any part of his just wage to hand it over to a union. If the worker wants to spend his money that way, that is his business. But it is not the business of the company for which he works, any more than it would be to buy his moving picture tickets or to pay his lodge bill or his coal bill.

Strikes Threaten Wages

These are a few of the practical problems that arise when the question of unionization is considered. The steel industry has passed through a very trying period of depression. It has probably suffered most, for many of its fields of economic activity were

curtailed first and remain curtailed even to this day. Nevertheless, the steel business is beginning to show more favorable results—and the men undoubtedly are benefitting by the changed atmosphere. Unions mean strikes—and strikes would be disastrous to steel workers just emerging into good weekly pay envelopes. They cannot afford strikes; the employers do not want strikes.

During a period of twenty months from August, 1933, through March, 1936, a study of United States Department of Labor records shows that in the steel industry only \$226,000 in wages was lost to steel workers as a result of strikes. This compares with nearly twenty million dollars in wages lost to workers in the highly unionized coal mines of this country. Both industries employ approximately the same number of workers.

Through existing employee representation plans, every difference of opinion between the employer and employee in the steel industry can be solved peacefully as between men with a common interest. When the outside union intervenes, the contention of the management of steel is that no problem will be solved peacefully because there will no longer be that common interest. There will be only fear, suspicion, and distrust on both sides. There is no need for such an atmosphere in the steel industry so long as the traditional *esprit de corps* is retained.

MEN AND STEEL

WE SHALL BE FREE

By Elmer F. Cope

INDUSTRIAL organization is no academic or theoretical question to the half-million steel workers today. It is a matter which concerns their everyday living here and now. There is nothing mystical about it. The workers who man the furnaces and roll the steel want an effective industrial union simply because there is no alternative. Without such an organization, as individuals, we are at the mercy of the steel barons who have perfected for themselves the strongest combination that money can buy. With an effective union we have a chance. If the American Iron and Steel Institute has done nothing else to the steel workers, it has taught them one thing: it has demonstrated what a broad, determined organization can accomplish in the steel industry. While the big bosses through their organization have been able to extract as high as \$150 an hour for their "services" the year around, the bulk of the unorganized and leaderless wage workers have had to take the crumbs. And that is not all. New machinery now threatens to abolish this little bit. Truly the steel worker has his back to the wall. In sheer desperation he must make for himself and his fellow workers an instrumentality which can be used to fight extinction.

As one of more than a half-million wage slaves in steel, I make no bones about it. And I think I am speaking the mind of the great majority of the workers in the industry. We know the

nature of our task. We must build for ourselves an effective union which embraces every man, woman, and child in the steel industry. It is a serious matter, this business of combatting the Iron and Steel Institute. It is no pink tea party. We have long since learned that nothing is handed to us on a silver platter. What we get we must take. What we take depends upon how well we fashion our fighting instrument. Our power to get what is justly ours has its source in our united effort. Not only must an organization be built; it must be maintained.

Unionism No Novelty

Strange as it may seem to the uninformed observer, this idea of an effective organization for steel workers is nothing new. My grandfather and father before me grew up in the industry. Unionism was, and is, a part of them. As a child, a portion of my daily nourishment consisted of union talk—problems and plans. Some of the most determined and courageous industrial battles waged in America have been conducted by steel workers who were struggling to build a union. To be sure, they did not always know how to proceed. On the whole they have been without adequate and imaginative leadership. But under it all and regardless of their shortcomings, the consciousness of the necessity for organization has been ever-present since, and before, the founding of the huge steel trusts.

We know the steel dictators are well aware of the fact that we want a bona fide organization. They have fought it and will continue to fight it with every means at their command. Pension plans, picnics, and other kinds of welfare schemes were instituted as sops to make us "contented." Then came the company union. The corporations announced with ballyhoo and sanctimoniousness that their workers would be permitted to bargain collectively through "employee representative" organizations.

There is no denying that many steel workers fell for the company unions. Many accepted them at face value, believing that they could help them improve their lot. They were better than no organization at all. Others, always on the alert, skeptical of anything handed to them for nothing by the bosses, went along hoping that "something would come of them." A minority cursed them and would have nothing to do with them. Some of these prophets paid the price by forfeiting their jobs. Many of us are on the company blacklist now.

Yet today it is hard to find an honest steel worker who really believes these "employee representative" set-ups, foisted on them by the corporations, are unions. It is no accident that they have been dubbed *company unions*. Even the few workers who are on the bandwagon for what they can get out of the bosses personally, are not being fooled. They know the workers had little, if anything, to do with setting up these unions in the first place; they were handed to them by the companies as substitutes for a union with power to do something about wages, hours, and working conditions. The employees don't have to join; everyone automatically becomes a "member." There are no monthly dues to pay. The companies pay the expenses. (Of

course the workers pay in the end—through their slim pay envelopes.) One day's wages they do not get because of the absence of organization would more than pay a month's tax in any good union.

"Catch" in Company Unions

Then once a year the big boss gets the little bosses together and orders them to make every man in his department go to the office or shack (some carry the ballots right to the job) to vote at representative elections, or else —. In between elections maybe the "employee representative" will get a long-sought-after drinking fountain installed for the men in his shop. Or maybe a machine guard or toilet facilities will be set up "for the workers", perhaps years after the State department of labor and industry inspectors ordered them installed. But let these employees ask for wage increases or shorter hours. The local company official says he has no power, so he stalls; when pressed he will pass the buck to his superiors, who in turn consider it out of existence. Here is the catch. All these company unions are constructed so that the final power of decision rests with the company officials. If some ill-advised worker refuses to consider the issue closed and presses the demands, he is warned in no uncertain terms that he had better keep quiet or he will be fired. In a company union what recourse does he have? The set-up covers only the men in a plant. It does not include those employed by the same corporation which has a number of plants. The corporations' union, the Iron and Steel Institute, embraces all of them, but this does not hold for the company unions donated to the employees. Since they have no treasury and are not permitted expert counsel from outside their ranks, the workers haven't a chance.

They have to take it in the neck and like it.

There is a hopeful aspect to the whole company union movement, for it has developed into a movement of significance now that there is a genuine organizing campaign under way. "Something is coming of them" of permanent value to the toiling steel masses. Experience is rapidly teaching the workers to evaluate these company-fostered and -dominated organizations in their true perspective and worth. By their collective action they have learned the value of organization. Instead of passively accepting the company union as an evil to be tolerated, the steel employees, many of whom were forced to "participate" at the threat of losing their job if they refused, have proceeded to put them "to work" and test them out.

This testing process is doing much to expose the weaknesses and shams of all these "employee representative" dummies. By making demands which the company officials have no intentions of granting, the workers throughout the steel industry have stripped these so-called "unions" of their false whiskers. Naked, devoid of genuineness, they now stand before the workers as a downright fake—another machination of the steel bosses, designed to fool their employees into believing they have something they do not possess.

Towards Industrial Unions

Through their demands for higher wages and reduction in hours, the more aggressive company unionists are giving the steel autocrats a run for their money. The bosses have started something they cannot finish to their liking. Designed to short-circuit wage increases and shorter hours, these substitutes for effective industrial unions have been turned on their creators.

At this moment comes the news that

30,000 employees of the Carnegie-Illinois Steel Company, a subsidiary of the United States Steel, have united in demanding wage increases. Of more significance is their insistence that the corporation recognize a general workers' committee embracing the workers of the entire company. Pressed into action by the Steel Workers' Organizing Committee's drive to organize the industry, the steel hierarchy threw one more of their sops in the form of time and a half for overtime. But in announcing that this was granted "after a conference with their employee representatives", they overshot their mark. Within 48 hours, at least two representative bodies registered formal protest, denying they had asked for the proposition. They refused to accept time and a half for time over 48 hours on the grounds they wanted a basic 40-hour week. To top it off, these workers in the Braddock and Clairton plants of the Carnegie-Illinois Company insisted that they be given a flat 15% increase in wages instead. These illustrations are merely symptomatic of what is happening to the company unions.

The bulk of the steel workers will be fooled no longer. Even though their bosses make concessions, it takes no wizard to determine why they do so. The men in the mills know that it is not because of the power exercised by the company unions, nor due to the generosity of the bosses, but because of the fear that the Steel Workers' Organizing Committee will organize the industry and force greater concessions.

Slowly, but with certainty, the company unions are moving to the S. W. O. C. Indicative of this is the fact that, less than one month after the beginning of the drive to organize steel, more than a dozen important "employee representatives" from all sections of the northeastern area of the United

States attended a meeting of the S. W. O. C. organizers in Pittsburgh. Many of these men were elected to their company union posts because the workers knew they were for the genuine industrial union. Here they pledged their support to help build a powerful industrial organization for the entire industry. Man after man voiced the opinion that most of the workers will become a part of the John L. Lewis movement; many have already defied the Steel Institute and are active in the campaign.

The fact that the steel industry is not organized today leads to mistaken conclusions unless one is careful. It is not the fault of the workers that they are not in a strong union. For years we have begged for a great union with teeth in it. In 1933, at the inception of the National Industrial Recovery Act, more than a hundred thousand flocked into the folds of the Amalgamated Association of Iron, Steel and Tin Workers' Union (A. A.) They went on strike 9,000 strong at Weirton for the right to organize, only to be fooled and forsaken. Other notable attempts were made to no avail. Not until Lewis and the Committee for Industrial Organization plunged into the fight and established the S. W. O. C. was hope renewed.

No Craft Unions

A large percentage of the workers know what they want. We are most positive about what kind of a union we will join and support. Without exception, next to their fear of being fired because of union activity, steel workers are afraid that the Lewis movement—and most workers think of the S. W. O. C. as a Lewis movement—will take them all into the old A. A. during the campaign and later divide them into crafts as was done in the 1919 drive. We have for all time settled this ques-

tion—we will not tolerate anyone who attempts to put us into craft unions. One big union for the entire steel industry is the order of the day. Anything short of this will not pass inspection.

A valuable, though costly, lesson was learned in the 1919 campaign. Craft divisions in the ranks of steel labor leads to defeat. Pitiable though it was, a number of the workers in the industry today witnessed the fight between 24 craft unions when they attempted to parcel out the newly organized workers to their respective organizations. The solidarity of the members of the Iron and Steel Institute has helped to clarify the issue. How under the sun, it is asked, can labor ever hope to combat a strong combination of steel barons, unless it mobilizes its power into one mass movement?

It is power matched against power, and most of the steel workers know it. The steel moguls have the upper hand now. They can hire their spies and thugs, and fire those who have manhood enough to exercise their rights as workers and Americans. Yes, they can now get away with considerable, such as prohibiting their workers from even as much as talking while on the job, as they are now doing in their plants. But not for long. The present generation of steel workers have been taught that they have the right to speak, talk, and organize as they see fit. Company tactics which contravene these rights simply increase the workers' determination to organize and forever free themselves from company domination.

We who toil in steel want action. Just to join a union is not enough. Many of us have been in unions before. Another large block of steel workers were at one time coal miners and active in the United Mine Workers' union. We have witnessed the growth and

gains made by the miners through their union. These workers serve as an inspiration and a challenge to us. We want to live decently and gain security and economic independence. We know that the rich steel industry has the resources and the ability to provide it for us. The steel workers' union can be revitalized by taking every mother's son employed in the industry into its ranks. What is most encouraging, the steel workers are responding. We shall not be scared or bought off. This campaign is a fight to the finish. We stake our all in the faith that the solidarity

of the steel workers can defeat the steel trust with all the thugs and "stools" the money we made for them can buy.

Workers on the job won't talk to strangers. Even brothers are held under suspicion these days when the company police watch our every move. But we know where we stand. We are getting together for the final drive. Our hour is coming. With the miners, clothing workers, the workers who build the autos and make the tires, and hosts of others behind us solidly, we can't fail. We shall free ourselves or die in the attempt.



THE PROGRESS OF RECOVERY

Indices of Industrial Production, 1929-1936
(1928 = 100)

	1929	1930	1931	1932	1933	1934	1935	Percent of loss since 1928 re- covered by 1935	Latest month in 1936
U. S. S. R.	125.9	164.6	203.0	230.1	250.6	296.6	367.0
Japan.....	111.7	105.8	108.3	114.2	131.3	142.8	159.1	100.0+	Mar. 165.5
Norway.....	111.4	112.5	87.2	103.2	104.5	108.8	117.0	100.0+	May 128.4
Sweden.....	105.8	101.9	89.4	83.7	86.5	105.8	113.7	100.0+	Jan.-Mar. 118.0
United Kingdom....	106.0	97.9	88.8	88.4	93.5	104.9	112.0	100.0+
Italy.....	109.2	100.3	84.7	73.0	80.5	88.3	101.2	100.0+
Spain.....	112.1	110.5	104.5	99.1	94.6	95.9	97.4	51.9	Feb. 98.0
Germany.....	100.9	88.9	72.8	58.7	65.5	83.3	95.3	88.6	May 106.7
Canada.....	108.1	91.1	76.7	62.8	65.2	79.5	87.9	67.5	May 93.9
United States....	107.2	86.5	73.0	57.7	68.5	71.2	81.0	55.1	May 91.7
Belgium.....	100.6	84.7	76.4	63.6	67.2	66.6	72.8	25.3	Apr. 78.8
France*.....	109.4	110.2	97.6	75.6	84.3	78.0	74.0	0.0	May 81.1
Netherlands*....	102.5	93.7	81.0	63.9	70.9	71.6	68.0	11.4	May 69.9
Poland*.....	99.7	81.8	69.3	53.7	55.4	62.8	66.2	27.0	May 71.1
World composite	(excl. U. S. S. R., Romania, Estonia, and Spain):							
Including U. S.	106.3	91.8	79.0	66.0	74.7	80.7	89.3	68.5
Without U. S.	105.5	97.2	85.1	74.5	81.0	90.5	97.9	91.8

Figures in heavy type indicate worst year of depression.

*Gold bloc.

—taken from *Foreign Policy Reports*, August 15, 1936.

STATE CAPITALISM

European Government goes in business

BY NORTON WEBB

COLLECTIVE ownership and operation of economic and financial enterprises in Europe was, until the War, largely in the hands of private groups. State capitalism, or activities run for the benefit of the whole nation, were then in the infantile stage. Since the War, state capitalism has made big strides in most European countries.

This development in Europe finds a notable example in Soviet Russia, which started by claiming to have abolished capital entirely, but now is on the way of evolving a totalitarian state capitalism. But the Russian régime has been sufficiently publicized; we shall concern ourselves here with only certain concrete and notable examples of state capitalism in European nations, where it subsists alongside of private capital—or at least where the latter is not completely or legally abolished.

Unlike modern European industry which, as elsewhere, springs from private planning and action, state capitalism and stockholding are more the result of accident or turn of events. For example: the inability of private enterprise to serve the public needs adequately; the necessity for state control and supervision of all materials for national defense (held to be the first consideration of an industrial

state); the creation of factories during a war; state loans to industries in difficulty; and non-collectable loans made by the state on commercial ventures. A more fundamental and compelling reason for European state capitalism, however, is the irresistible pressure from the people themselves, demanding ownership by the masses and not by special classes, as has heretofore been the case in Europe. The Spanish upheaval and the present-day power of the French Leftists are directly traceable to this.

England Shows the Way

The most conspicuous examples of state capitalism in Great Britain are the Government proprietary corporations, such as the Port of London Authority, operating the assets of defunct dock companies and having all the powers of a private corporation; the Forestry Commissioners, administering a system of state forests as a commercial enterprise; the Central Electricity Board, which buys current generated by selected municipal and private power stations and resells it; the British Broadcasting Corporation, with its monopoly on broadcasting; and the London Passenger Transport Board, which operates the assets of

some 89 former private transportation companies in the London area. All these bodies, with the exception of the Forestry Commissioners, issue bonds against their individual assets. State ownership of stock in private enterprise in England is outstandingly denoted by the case of the Imperial Chemicals Industries, in which the British Government participates for reasons of national defense. While it is not known that Britain holds any stock in the vast air network of the Imperial Airways, it undoubtedly keeps a heavy hand upon them by means of subsidies. These are phases of the new order being established by British recovery policy and described by Lord Lothian as "social capitalism", or cooperation between private interests and the Government.

The Reich in Business

The German State is an active capitalist, operating big enterprises and owning stock in private ones. It has even invested in the stock of foreign firms. In relation to national defense it has, for instance, placed some 260 million marks in the cyanide industry. In 1932, it put 420 million marks into the Hapag Lloyd shipping group, compelling the allotment of eight directors' seats to itself and a reduction of capital in the ratio of 10 to 3. The German State also participates largely in running naval construction yards and heavy metallurgical enterprises. The Reich's public powers control the major part of the distribution of credit. Centralized control of commercial credits has been achieved through the creation of the *Reichskreditgesellschaft* which largely regulates other banks (its customers). The German system of state banks plays another big role in credit. These banks originated in the seventeenth century, when the German princes established a chain of

them to monetize profits from the hiring-out of troops, paid in pounds. These banks deal with agricultural, municipal, and other credits. The German holding companies are really the first attempt to systematize the management of state capitalism and stockholding. In cases like power stations, 80% of which are owned by public collectivities, all shares held by the Reich, Prussia or Saxony, and large cities have been confided to the holding companies in which the state is the sole stockholder. Their directorships are composed of parliamentarians, government officials, and directors of the controlled corporations. This is done to exempt state enterprises from red tape and also from all guarantees that usually surround the administration of public funds by private initiative.

France's Set-Up

State industry and capitalism in France date back to the middle ages when corporations, or guilds, began to grow within the borders of what are known today as municipalities. France has for long been under a semi-state and semi-liberal régime, with few variations. Actually France seems to be going through a new "middle age" and trying to write a new page in the history of public and private ownership. Some notable instances of today's modern trend of French state capitalism and stockowning are in matters of national defense. The Nitrogen Office of the French Government has invested several million francs in the chemical industry, and outright nationalization of the arms industry has just been voted by the French Parliament. The French Government owns controlling blocks of stock in aviation firms, and recently put 2 billion francs into the *Compagnie Générale Transatlantique*, the big shipping firm, and

annulled the former stockholders' rights. The French state owns a large portion of the production of hydroelectric power in the country. It runs the telephone, telegraph, and radio, and has a monopoly on tobacco. Of the six large French railroads, the state operates two. It is also a stockholder in several large banks. The banker state in France, besides granting a variety of credit facilities, administers through the Fund of Deposits and Consignments a sum of about 80 billion francs to purchase securities and make loans to foreign governments.

Fascism and Industry

Turning to Italy we find naturally that a flood of fascist decrees has submerged practically the entire economic and financial structure of the state to attain its so-called totalitarian aims. Private capitalism has been virtually non-existent since Signor Mussolini took the Italo-Ethiopian war as a reason for bringing all domains of Italian life under Fascist control. If it still exists feebly, it is only because the government has such a heavy grip on its enterprises that they could be taken over at a moment's notice in the name of a "national emergency." This is particularly true in matters relating to Italian national defense. In the chemical industry, for example, the Fascist state holds about 50 million lira worth of shares in the National Fertilizers Society. It forced the fusion of all Italian shipping firms and made large investments in the new company. A striking innovation of the capitalist state is the Institute for Industrial Reconstruction, which has two separate divisions. The first liquidates all unsuccessful business ventures and is supported by an annual grant from the budget of some 85 million lira. The second subsidizes all new factories and plants and operates through a state

loan of one billion lira, guaranteed by the Italian state. No new factories or plants can be built without the Government's permission. Such instances could be multiplied. In short *Il Duce* and his staff are slowly moving towards the completion of the totalitarian Fascist capitalist state.

In Sweden, Denmark, Norway, Switzerland, Spain, and other European countries, state capitalism in various phases is much in evidence. Generally, it can be put under one of the following heads:

1. The State owns the business outright.
2. The State controls the enterprise through partial ownership of its capital or stock.
3. The State dominates through control of public service companies that operate like private companies.

Pro and Con

Authoritative surveys by European economists and experts show that most state-owned companies have been fairly successful. Naturally, the economic ills of the past few years have affected them just like private capitalism. Many states gave unwise guarantees which the last few years have seen grow acute. In such cases, it is pointed out, they have been able to carry on, thanks to revenues from successful enterprises like power stations, especially designed to counteract the less productive ones. Competent authorities in Europe believe that unfruitful investments by the state can only be overcome by the disappearance of certain industries.

One of the weaknesses of the European state as a capitalist lies in its power to conceal inherent faults. It participates in two forms of activity normally regulated by two opposite currents, the first being public service, governed by strict rules because of its

large objective—public welfare; the second, commercial activity for profit that requires extensive initiative. In the case of commercial activity, it was found that the interest of administrators separated itself from that of the stockholders and even social welfare itself. The public administrator takes the unlimited powers of the company director and the faults of the two systems are thereby joined in one. This is only a single example of a great string of problems involved by the creation of huge bureaucracies necessary to carry on in the present experimental stages of state capitalism.

The great multiplication of government subsidies in Europe since the War opens the way, and is a temptation, for the state to secure control of an enterprise outright or become part-owner or stockholder in it. If, for example, a vital industry like aviation—a business partly government-owned and in part privately owned—gets into difficulties, there is nothing for the state to do but to buy up the private holdings of stock and rehabilitate the enterprise as a purely state venture.

Is There a Middle Ground?

Students of state capitalism differ widely on its merits and demerits. Some say there can be no compromise between it and private capitalism.

Others, like the French school of socialists, believe there is a workable middle ground. But the shape and methods of state capitalism, in the last analysis, will be determined by the character of the people and government of the state in which it is being put into practice. In a country like Great Britain, where self-government is deeply ingrained in all its people, state capitalistic enterprises like those cited earlier in this article run along fairly smoothly with no undue pressure or interference from a centralized power or aggressive bureaucracy. In Germany or Italy the story naturally differs because of high centralization of government. The bureaucrat in those countries practically knows little about real self-government, and state enterprises consequently take orders from a hierarchy. In France, there is a sort of mixture of individualism and centralization that causes much political friction.

Time alone can furnish the answer to the riddle posed by these developments of the various phases of state capitalism in European countries. "It demands," in the words of Professor Gardiner C. Means of Columbia University, "the best minds . . . to forge a new pattern of thinking which will wield the elements of politics and economics into an integral whole having validity in the present day."



AMERICA'S EMIGRANTS

—the problem of those who go back,
BY HAROLD FIELDS

AMERICA is losing her immigrants. In the last five years, three hundred and twenty-five thousand more persons left these shores than came in. Our population problem no longer is one of increase by immigration, but rather one of decrease by emigration.

For decades the United States has looked upon foreign-born people as actual or potential immigrants. We have admitted them, freely at first, but within limitations later on, because they satisfied our economic needs, helped develop our industrial programs, and because we had land that made it possible to offer them a release from political or religious hardships—without any untoward effect upon ourselves. But when our own increased population and the introduction of technological improvements brought about a decreased need for labor, our newer economic policy dammed the flow of immigration to the United States, dropping the influx from almost a million in 1920 to only thirty-five thousand fifteen years later, in 1935.

Now many of those who entered the United States for permanent residence are returning to their native lands. The depression has almost wiped out their life savings. Their economic self-sufficiency is past; the solution to their present status lies only in the direction of poorhouses, public relief, old-age pensions, or, in some cases, in deportation. These people envisage little opportunity for themselves in the United States, and they feel more optimistic about conditions in their native country.

They believe that relatives and fellow countrymen will help to make their lot much easier.

In fact, the executive of a prominent migration society in London recently said: "The reason why aliens migrate from the United States to return to their home countries in Europe is that the depression in the United States*** has made them resolve to return to their own countries***They have left ***many friends and relatives behind in their old country; they are hopeful that [they can]***obtain help from the Public Assistance Authorities, or from the National Insurance Schemes, to which they might eventually become entitled. The absence of such provision in the United States may [be] one of the principal factors in deciding people to return to Europe."

Alien's Problem

The returning foreign-born have been suffering difficulties peculiar to their class. The notice "Only American Citizens" hits hard the five million aliens still legally in this country, so many of whom are still aliens because of causes outside their control. A survey made in 1928-1929 showed that three out of every five jobs were closed to aliens by industry itself; that four out of every five memberships in labor unions were reserved to citizens only; and that every State carries laws on its statute books depriving aliens of the right to engage in certain occupations. Today the restrictions are more severe

and opportunities for the alien laborer are still more scarce. Where citizenship is unobtainable and sustenance is not possible, the only escape for most of this group lies in repatriation.

However, economic motives are not the sole causes that prompt the return of the foreign-born to his native land. There are many other groups such as the indigent aliens, those who are returning for sentimental reasons, deportees, and others. For instance, consider the indigent aliens—those who have been here only three years, or less, and who have found it impossible to make a living. Under the Immigration Act of 1917, they may apply for their return home at Government expense. One would imagine large numbers take advantage of this provision; but not many have done so because the total entering the United States in the last three years has been severely reduced and because those who did come were admitted only after they had proven their ability to take care of themselves. From 1931 to 1935, slightly more than 5,000 aliens applied for Government aid toward repatriation under this law, the greater number of them having entered before the public charge clause was put into effect in the earlier part of this period.

Another group of emigrants is composed solely of elderly people, all of whom are foreign-born, but many of whom are naturalized citizens. The world over, there is this constant movement of people, returning in the last lap of their life's race, going back to a home or a hamlet where economics, taxes, struggles, and social problems were little known in the days before they left and are less recalled now that they are returning. But the journey back is made not without misgivings and not without hesitation, for America has come to mean much to these emigrants. Today, as many of

these older folk ascend the gangplank, bound for some part of Europe, they leave behind them American-born children and American-born grandchildren; establishments they have helped to build and to develop; American friends, and American associations.

Deportees also come within the groups that are permanently leaving the United States. More than one third of these are being sent back to Mexico; another third are going back to Europe; and the rest are being returned to the other Americas, to Asia, and to Africa. The percentage of deported criminals, immoral persons, and other undesirable characters is steadily increasing. Of the 8,319 persons who were deported last year, 31.47% were undesirable, while those who were deported because they lacked authorization to remain here permanently totaled 55.3%; all other groups accounted for 13.23%. Heretofore, most of those who were deported have not been criminal types, but visitors and relatives who overstayed their leaves, or whose admission to this country was brought about by illegal means. In 1933, 19,865 persons were deported, of whom only 14.1% were undesirables, as against 61.6% who were guilty of illegal entrance, and 24.3% who were deported for other reasons. More important than the number of deportees are the types we send back. One criminal returned is a greater index of safety for the United States than five immediate members of families who have overstayed their leaves.

The Federal Administration today is concentrating its efforts on apprehending the criminal. The average sum of \$100.00 which it spends for each deportee is a better investment when it results in the forcible removal of the felon, the insane, the anarchist, than when that sum is spent on an alien who has married here and whose desire

for a home has caused him to violate our laws in the first instance.

An Emigration Policy

The problem of the emigrant calls for human adjustments and considerations which require tact, patience, understanding, and study. Such a program must be adopted with caution. Care must be taken lest bureaucrats force aliens off relief rolls and then into compulsory departure. Again, aliens requesting transportation aid must not be permitted to leave for foreign destinations before being informed of conditions prevailing there.

Normally, the general tendency is to be rid of these people who seek to return of their own volition; but we are trafficking in human freight, not goods. We know that in many instances there is a genuine welcome accorded these returning migrants. Family solidarity among peasant groups is strong. We know that their participation in the local life of the community is made easier. In many cases, the process of re-assimilation is expedited by a resumption of citizenship. Reports from Sweden show that the returned immigrant merges into the life of his former home without difficult adjustments. Rumania gives her former citizens certain advantages over other newcomers. Some Polish farmers who have returned have reported satisfaction with their changed life and surroundings. Finns who return are treated with great consideration. Lithuania is strongly sympathetic to her nationals who go back to settle there. And Italy welcomes back her sons because of her policy of restricting emigration and her program for a large population.

But, in contrast to this warm and welcome picture, are countless cases of hardship. Often adjustments are not made, conditions are not better, and families do not welcome their prodigal

sons. American wives and American-born children do not assimilate. Lower standards of living become irksome. Lack of cultural opportunities causes dissension and discontent. Economic and political pressure frequently causes serious difficulties. Ignorance of these factors has caused many emigrant American wives and their children to come back to America, leaving husbands and fathers in their native countries. If good-will is important in foreign relations, careful supervision in sending foreign-born persons back is essential. No program seeking to relieve the status of these emigrés can possibly be successful if it is not built upon the base of correcting their discouragement and upon the assurance that their return home will be a forward and better step.

Assistance Towards Repatriation

Another factor arises when governments, to which such persons are returning, do not wish to receive them. In such cases, passports are not issued to them, and without passports, aliens cannot return home. In addition to this, repatriation is certain to fail where the person involved is possessed of an unstable personality or is unable to adjust himself to his new environment. But in some cases, many are freely assisted because they still own property abroad. Thus as many as 50% of departing Greeks are returning to their own original homesteads which have been rented to others in their absence.

Frequently, countries arrange for the return of their native-born as a means of increasing domestic productivity through the introduction of American industrial methods. Thus Yugoslavia repatriates its destitute citizens who cannot sustain themselves here. Italy has an agreement with her steamship companies whereby a number of places on each departing liner are held avail-

able for indigent Italians. Mexico offers free rail transportation from the United States border to the destination point in that country, or assists toward ship transportation costs. Ireland endeavors to obtain reduced steamship fares in the case of her nationals who have not acquired American citizenship and who desire to return to their native heath. The Spanish consuls have been generous in their financial assistance to citizens desiring to return home from abroad. Czechoslovakia has arranged to pay 50% of the passage money for its indigent returning citizens. Bolivia, Chile, Brazil, and Cuba have made arrangements to secure free passage or partial reductions on trips home for their natives.

In general, special funds have been set aside at and by many consulates for the full or partial aid of those who seek to return home after a long residence here. However, a number of consuls refuse such aid where an investigation of the alien's circumstances shows that there are no means for his sustenance in his home country; some, like the Swiss and Czechoslovak consulates, require that the community to which such an alien is destined shall first sponsor his return. More and more is it being stressed that residence and economic security abroad shall first be established before the passage is arranged. Some of our own American consuls have had funds provided from personal, private, or public sources for the repatriation of our own citizens from abroad.

Not only have foreign consuls undertaken to assist aliens in returning home; some of our own States have taken steps in this direction. California, Michigan, Iowa, and Texas have financed the return of approximately 10,000 Mexicans, thus saving the weekly relief expenditures otherwise necessary.

In some communities, aliens who

need relief are more or less compelled to accept it in the form of repatriation. Where Emergency Relief Commissions, State or County Public Welfare Departments, or private agencies are at liberty to furnish transportation funds for repatriation, such expenditures are justified, both from the point of view of reduction in long-continued relief and for the betterment of the individual himself—always provided conditions abroad will be favorable to his return.

American Groups Abroad

Very few Americans are aware that these foreign-born people organize American groups, once they settle down abroad. They subscribe to American publications, and adapt American methods to their daily lives. Louis Adamic once told how eagerly he had read an old *Saturday Evening Post* that he had found in a store while in Yugoslavia, and how it brought about a feeling of homesickness for America. The American-Greek Club in Athens, to which most returning Greeks belong, has branches and chapters scattered throughout Greece. Similar groups have been formed in other countries of Europe to keep alive memories and contacts and standards.

For most of those emigrés who return with some money, there is faith that successive years of work will entitle them to national security benefits. Between propaganda conceived to inculcate them with a feeling of satisfaction over their change, and the pleasure of their associations with their fellow emigrés, the average repatriated foreign-born person soon feels contented with the steps he has taken.

Emigration a Permanent Problem

Figures show us that six out of every ten who are leaving are men, that the bulk of them are unskilled, and the

greater proportion come from the industrial states of the Union. These facts indicate quite clearly that the lower strata of our economic precipitate constitutes the greatest number leaving. Perhaps one of the most significant phases of this whole outward movement is the fact that in the fiscal year of 1932, when business affairs were at a low ebb, more than 100,000 left for foreign shores. Last year, when conditions were improving, the numbers dropped to slightly less than 40,000. The 40,000 included: two thousand professional persons, five thousand skilled workers, seventeen thousand farmers, laborers, merchants, servants, etc., and fifteen thousand women and children. The preponderance obviously was dependents and persons left with some income.

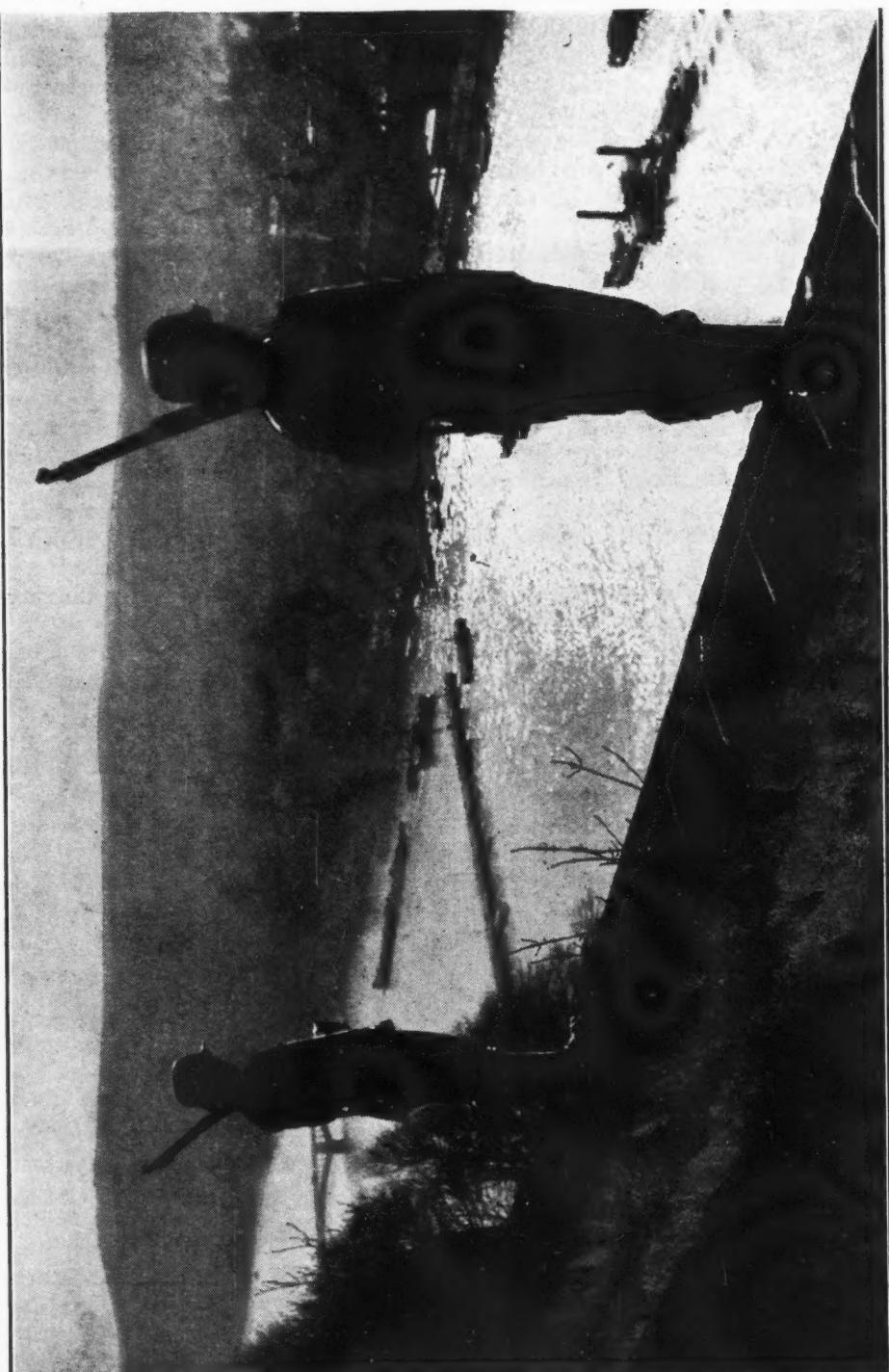
In general, those who are returning for permanent residence abroad hailed originally from the peasant class. They came here to engage in industrial

pursuits because the remuneration was higher than from farming activities, but now they have been displaced by machinery. Those who entered business carried on small but satisfactory enterprises, but were not able to survive stringent credit conditions.

All of them represent more than a mere shift in our population movement: they indicate a definite trend that will continue, and that, while varying almost in inverse proportion to our industrial conditions, will show a steady flow over any given secular period in our economic history. Emigration is the next chapter in the history of America's ethnic group. Its potentialities are tremendous, particularly when charted along with our machine-age progress. Perhaps the day will come when we will legislate to stop our outgoing population as we have legislated to stop the incoming groups. It is not inconceivable.

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NAZIS ON THE RHINE: Were they ready to retreat if France threatened?



FRANCE OUTBLUFFED

—a surprising “angle” on the recent
German aggressions, not much to
the credit of a French foreign policy
which may now be ended

By W. Walter Crotch

A GREAT deal has been written on the internal and economic policies of the Blum Government in France, but practically nothing concerning its foreign policy. This, of course, is hardly surprising, for during its first few weeks in office the Popular Front cabinet was so absorbed by the imperative need to check and canalize the agitation of the masses and to whip through Parliament at an unprecedented speed an unprecedented number of sweeping social and economic reforms, that it had little time for foreign affairs — save when, suddenly and violently, they demanded immediate decisions.

As a result, the reins of foreign policy during this period hardly left the hands of the permanent officials—or, perhaps more accurately, of one permanent official. Certain friends of France and of peace may be inclined to regard this as unfortunate, since M. Alexis Léger’s conception of foreign affairs appears to have become a little vitiated by his association with M. Laval and could, in these later stages, be best described as a policy of *laissez faire*.

But to understand how this came about and, what is even more important, why and how Leon Blum suddenly seized the reins and gave

French policy a “new deal”, it is necessary to go back and examine very briefly the background of the Laval method.

When M. Louis Barthou was murdered in Marseilles, the stock of France stood high in the diplomatic market. Barthou was a man with few illusions about anything and none at all about Germany. Almost alone among statesmen in Western Europe, he saw very clearly that, just as Hitler had climbed to power in Germany by sheer bluff, so inevitably he must adopt the same method to obtain hegemony in Europe. Barthou believed that the only way to insure peace was to “call that bluff” at the earliest possible moment. France was unable to do so alone; it was not quite evident how far she could count upon British support, since British policy seemed to oscillate between two widely different conceptions: that of Sir John Simon and that of Mr. Anthony Eden. Thus, Barthou began to strengthen France’s existing alliances in Eastern Europe and to create a new one—namely, that with Russia. In addition, he was anxious to obtain, if not the friendship, at least the benevolence of Italy, but he was not prepared to buy off Italy at any price, and above all he would never have contemplated offend-

ing London in order to please Rome. His policy had one aim and object: to fortify the European peace bloc and to use it, like a solid granite wall, against all attempts at aggression, be they from Berlin, from Rome, or from any other capital. He believed in France and in her ability to play what he considered her historic part in world affairs.

M. Pierre Laval was of very different mettle and entertained an entirely opposite conception. He did not believe in France's undiminished power—or at least in her ability to play her traditionally leading role any longer. In all seriousness, he thought France had run her course as other powers had done before her: Spain, Portugal, Holland, Austria-Hungary. She must retire gradually and as fast as possible from the forefront of the world stage; she must be content to be one of the crowd at the rear. For the accomplishment of this purpose, two things were essential: an agreement with Germany at whatever cost and the disentanglement of France from her system of alliances in Eastern Europe. It may appear strange that this being the case he should go to Moscow and sign a pact with Russia. But it should be remembered that he did so under the irresistible pressure of the French general staff and that, even then, he succeeded in whittling down the draft treaty which Barthou had prepared.

With the death of Pilsudski, the new head of the Polish Government wanted to dispense with the services of Colonel Beck, the Foreign Minister who for years had shown himself openly as a friend of Germany, and an enemy of France. But M. Laval went to the length of sending a letter of fulsome praise to that gentleman, expressing the hope that he would remain in office. He did remain in office to the undisguised jubilation of Berlin.

When Mazaryk retired from the Presidency of the Czechoslovak Republic and everyone expected the great champion of the French alliance, M. Benes, to be elected triumphantly in his stead, Laval, in pursuance of his tortuous policy, engineered an opposition to Benes. The intrigue came near to success, but, between it and its realization, there suddenly loomed the shadow of a terrible civil war. For this reason, Benes was elected, despite Laval.

In Bucharest, M. Titulescu, that most skilful of Francophile statesmen, who has weathered storm after storm which would have wrecked most careers, suddenly discovered that the host of his enemies, secret and open—intriguing at court, canvassing in the lobbies, campaigning in the country—had received an accession of strength. The agents of the Prime Minister of France were in unholy alliance with the agents of Hitler to sap the position of the Rumanian statesman. Here again, the French intrigue failed, but as recent events proved, the Rumanian's enemies elsewhere prevailed.

In order that France could withdraw into her own back-garden and devote her old age to raising cabbages, it was necessary to win over Italy. M. Laval procured her good-will by giving her leave to attack, conquer, and annex Abyssinia without interference. When it came to cashing this blank check, Mussolini found it was drawn upon a joint account and that the signature of the English partner was missing; indeed, that partner was far from sharing the view of Pierre Laval. There is no need to repeat the facts now so well known. Suffice it to recall that Laval succeeded in estranging Britain and, at the same time, losing Italy. This was in very truth the crowning achievement of a pusillanimous policy. Actually, however, aided by the

curious tergiversations of a British foreign policy paralyzed by the consciousness of military weakness, M. Laval had managed to do even more than this. He had dealt the League of Nations a blow from which that anaemic institution may never recover.

Hounded Out of Office

At long last, M. Laval was—the term is not exaggerated—hounded out of office by popular indignation. It is significant, nevertheless, that this public disfavor was much more due to his mismanagement of home affairs than to his catastrophic conduct of foreign policy.

He was followed into power by a Government which from the hour of its birth lay under sentence of death. The general election was due in a very short time and everyone knew that whatever its result, M. Albert Sarraut and his cabinet of shilly-shallying lukewarm Centrists would be swept away into the limbo of forgotten things. Yet, be it noted, it was this transitory, shadow-like administration which, inheriting the fatal Laval policy, had to face the crisis of last March 7th. An elder diplomat of France, whose name as an ambassador will live in history, said of Laval the other day: "I am a man of the Right. I have never loved the Left and I love it less than ever today. But I tell you frankly Laval merits the severest condemnation which can be meted out to those who injure irrevocably their own land. Not because his policy was false—many a man has followed a false policy and got away with it—but because, having adopted a false policy, he failed to achieve his ends and made it well-nigh impossible for his successors to save France!" Laval had sacrificed everything to the primary and basic idea of

conciliating Germany, and he had not conciliated her. On the contrary he had left her more aggressive than ever.

Franco-German Relations

It is necessary, of course, to distinguish between Germany and Hitler. An understanding with Germany is possible. An understanding with Hitler is only possible on the terms upon which the proverbial lady made her peace with the proverbial tiger. The turning-point in Franco-German relations was the Saar plebiscite. In November 1934 the Saar was as good as lost to Hitler. A majority for the *status quo* was assured, provided the Saarlanders felt they could rely upon Geneva; and Geneva in that question was spelled "France." In the immediate Hitler entourage this truth was recognized and known. The Reichswehr generals, who have never loved the Austrian-born private, were preparing for the upheaval against Hitler which would, in Germany itself, follow any defeat in the Saar plebiscite. They were preparing, not to defend Hitler, but to supplant him. M. Laval in his desire to propitiate Hitler, torpedoed the *status quo* at Geneva. By so doing, he gave the Saar to Hitler. What is more, he gave him an immense prestige and a stupendous victory; in a word, he gave him security of tenure for years to come.

The breach of the Treaty of Versailles by open rearmament was the first consequence. The march into the Rhineland in defiance, not only of Versailles, but also of Locarno, was its second. That, in turn, made the Vienna agreement, the peaceful penetration of Austria, possible. There followed the Danzig *coup*. And the series is not exhausted. Memel and

Czechoslovakia may prove the next milestones on this royal road of Germanic trespass.

Hitler's Bluff

The Rhineland *coup* came after Laval had gone, but its success had been rendered almost assured by the atmosphere Laval had created. Informed circles today claim that the truth regarding the Rhineland affair is now known to the initiated. First, the German side: It is reported that General von Fritsch, the German commander-in-chief, resolutely opposed the march into the Rhineland. He declared that the Reichswehr was not yet ready to wage war. If, therefore, Hitler insisted, he and every other general of the Reichswehr (with two exceptions, Blomberg and Reichenau) would resign. Hitler, so the story goes, told them their fears were in vain, that there would be no war. As a guarantee of this he is said to have handed them a written order to evacuate the Rhineland again without firing a shot, if the French should mobilize and cross the frontier:

Now the French side: Premier Sarraut was in favor of a partial mobilization. Flandin was prepared to support him. Mandel urged that the frontier should be crossed. At that fateful cabinet council, apparently, there would have been a sure majority for "calling Hitler's bluff." And the decision would have been taken, notwithstanding the fact that pacifist feeling was running full tide throughout France and despite the fact that London doubtless would have frowned. Two men are said to have opposed and frustrated that decision. M. Alexis Leger was one, and General Gamelin, chief of staff, was the other. M. Leger, against his own sounder instinct, had been infected by the Laval theories, while General Gamelin was

Laval's own man. He avowed that he would require 400,000 men to occupy the Rhineland. That meant the mobilization of several classes; it meant a tornado of pacifist, anti-patriotic propaganda in France; it might even have entailed a general strike. The ministers—these ministers of a day, or of a month—climbed down. They made beautiful speeches; they invoked the sanctity of treaties; they were in turn pathetic and indignant, but they climbed down. Once more Hitler had bluffed his way to triumph. It is an unfailing feature of successful bluffing that, the oftener it succeeds, the bolder its perpetrator becomes—and the more intimidated are his victims. Thus it is no wonder that when Sarraut had to go and when Leon Blum came into office, M. Leger, in whose hands reposed the reins, as we have seen, was reduced to a state of palsied intimidation.

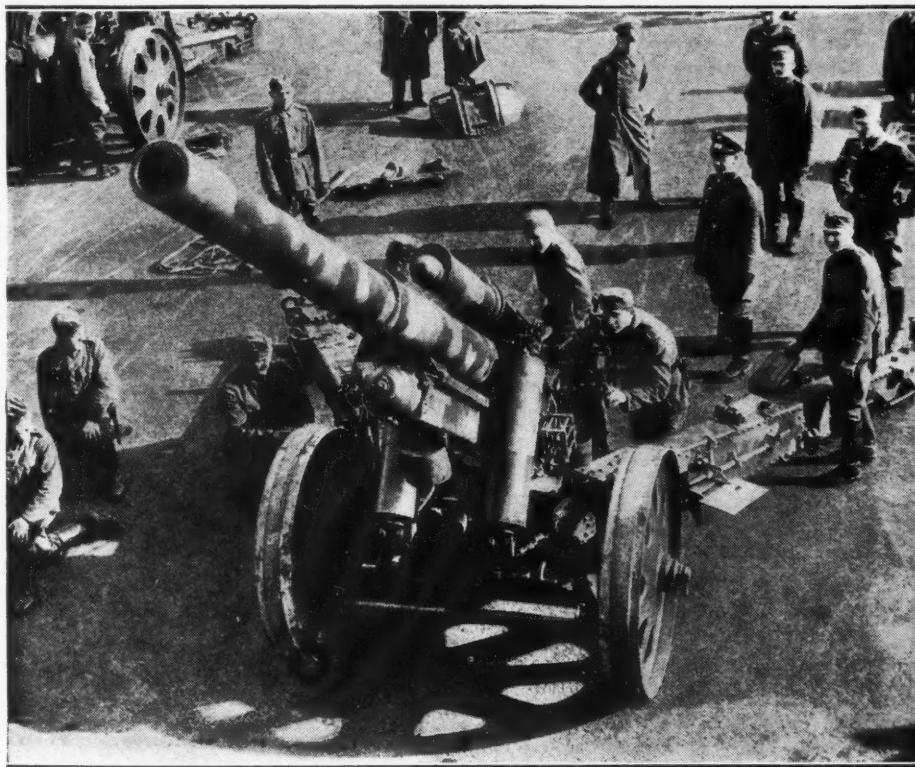
Then came the Danzig *coup*. Leon Blum, who had just delivered a magnificent speech in Geneva in which he warned the world that France had yielded, not from fear, but from nobler motives (shades of President Wilson and his "too proud to fight!"), became very angry and wanted to send a French cruiser squadron into the Baltic to "seal up the Danzig harbor", as he put it. Alexis Leger fought against the idea with all the desperate courage of the totally intimidated man. He won M. Delbos, the Foreign Minister, over to his side by producing a voluminous *dossier*, prepared by General Gamelin, who seems to be ready for all emergencies. To run the risk of offending Germany, he said, meant the danger of war with Germany and with Italy at the same time. Great Britain was not to be depended upon; in any case, she was still much too weak. The Red Army was much too far away. The French military

and aerial forces might perhaps be able to resist the German shock, but not the Italian at the same time. There was much more to the same effect. Blum gave way—fortunately, for one could not well have devised a worse battle-ground than that of the Danzig issue. But the check rankled, and when, at the London Conference of the three associated Locarno Powers, the German plans regarding Czechoslovakia were submitted to him, M. Leon Blum rebelled—all the easier because he was momentarily removed from the stultifying atmosphere of the Quai d'Orsay, where apparently no one had

opened the windows since M. Laval took his departure.

Toward the Czechs

The danger of Hitler's plans regarding Czechoslovakia is that, unless they are nipped in the bud by a display of resolution, they are likely to succeed as completely and as painlessly as the Rhineland and the Danzig coups. Germany herself has not the remotest intention of attacking Czechoslovakia, for that would involve almost immediate war. Prague is allied to Moscow and to bluff Comrade Litvinov is much more hazardous than to attempt the



Pictures, Inc.

GUNS TOWARD FRANCE: Some of his generals were said to have objected, fearing provocation of a conflict. But the only explosions which followed were verbal. France was again—outbluffed.

same operation in Paris. Litvinov is no tyro himself at bluffing. He was a master hand at the game when Hitler was in his political infancy. That presents Der Fuehrer's primary difficulty. But there are ways around. Poland has deep differences with Czechoslovakia over the Teschen territory, and the Poland of Colonel Beck is a fairly subservient instrument of Berlin. Prague's protective treaties of alliance only become operative in case of German aggression; no such commitment is made in the event of an offensive on the part, ostensibly, of Poland. Moreover there is an alternative even less dangerous. There are three million Germans in Czechoslovakia—that is to say, three million malcontents. Most of them are organized after the approved Nazi pattern. They live next to the German frontier. An armed revolt—armed and financed by Berlin, which has gathered some experience in the game both in Austria and in Spain—would lead to civil war and to anarchy. German interests, obviously, would be involved. German intervention would be natural and could be so stage-managed as to appear normal and unobjectionable.

Can that menace be avoided? Clearly it could, were an agreement to be made between Berlin and Prague. True, it would be an agreement which would make Czechoslovakia just as much a servile state of Germany as

Austria today. And M. Lacroix, the exceedingly able French Minister at Prague, has pointed out that unless M. Benes can rely upon France he may have to go on the humiliating Canossa-like pilgrimage to Berlin—even as Poland had to do for similar reasons.

M. Leon Blum has been described as an idealist. That is in some respects, a true description. But he is also a realist. The Lacroix report brought him face to face with the realities which he had—as his Danzig impulse shows—hitherto divined, but had not closely studied. The new tone of firmness he evinced at the London conference is evidence of his resolve to get out of the rut of eternal yielding. Not that this will bring war nearer. To the contrary, if anything at this late hour of Europe's fate can prevent war, it will be a policy which will convince the mischief-makers, be they in Berlin or in Rome, that the liberal and democratic powers, the powers that stand for peace and freedom, are determined to insist upon the rights of mankind and the sanctity of treaties.

French foreign policy has had a new deal and taken a new turn. Whether it will be lasting is another question; the answer lies in French internal politics, the development of which alone can determine whether Leon Blum will be permitted to carry on his ambitious experiment at home and in the field of foreign affairs.

NORMAN THOMAS

BY EDWARD LEVINSON

NORMAN THOMAS is the only anti-capitalist candidate for the Presidency. At one time, the Communists also declared themselves in favor of a radical reorganization of society on a basis of socialized industry, but today they emphasize more a "people's front" embracing laborites, radicals, liberals, Townsendites, and what-not in a campaign against reaction, even to the extent of indicating a preference for Mr. Roosevelt as against Governor Landon. But Norman Thomas sticks to his Socialist guns, crying a plague on both the Democratic and Republican Parties and urging votes for Socialism both as an expedient and as a long-range policy.

This sturdy avowal of his Socialist faith, disregarding the temporary winds of political popularity — or hysteria—is a key to Norman Thomas' character. Even his critics will admit that there might be more in immediate popularity and personal political fortune for him if he threw in his lot with the labor supporters of the New Deal and President Roosevelt. But for a man who has run for office every year since he assumed the responsibility of Socialist leadership, there is in Norman Thomas an amazing lack of desire for personal success. Eugene V. Debs' famous affirmation, "When I rise, it will be with the working class, not from it," might be the text for the life-story of Norman Thomas, if he finally over-

One of the most-nominated men in American history is nominated once again. And when he campaigns he really means it.

comes his modesty and permits such a story to be written.

The character and activity of Norman Thomas have been misrepresented almost as much by friends as by his critics. His early years as a Presbyterian minister, his studies at Princeton, his acceptance of an unwanted honorary degree from his alma mater, his long directorship of the middle-class League for Industrial Democracy, his authorship of several books—almost the only American contributions to Socialist literature in the last decade—have been emphasized until he has been stamped with the blighting label of an "intellectual", somewhat removed from the cause and class he has championed.

Trade Unionism's Friend

There is more of fundamental significance concerning Norman Thomas in his other lines of endeavor. Since the death of Debs, there has been no Socialist or radical leader so completely immersed in the problems of trade unionism as Mr. Thomas. His New York office for years has been the haven of workingmen and trade unionists seeking advice and aid in their campaigns for better working conditions. The racketeers of labor have as little love for Mr. Thomas as have the predatory politicians of Tammany Hall, who gained a healthy respect for his opposition a decade ago. Through his Emergency Committee for Strikers' Relief, the Socialist

Presidential candidate has given vital aid to more than a million trade unionists and strikers. And in his two decades of Socialist activity, Norman Thomas has addressed more trade unionists, in times of strikes and in times of economic peace, than any other member of his, or any other, labor party.

Pointing to Sore Spots

With an almost unerring instinct for the right kind of publicity to advance his cause, Mr. Thomas has succeeded in making local sore spots in our democracy the concern of the entire nation. He taught the nation the meaning of the word sharecropper and has brought into existence the Southern Tenant Farmers' Union. Single-handed, he directed the nation's attention to the murder last year in Tampa, Florida, of Joseph Shoemaker, the local leader of the unemployed. The unsuccessful defense of Shoemaker's brutal attackers itself paid tribute, in its bitter assaults, to the potency of the protest aroused by the Socialist leader. Martial law in Terre Haute, Indiana, last year brought Mr. Thomas to the spot to defy the arbitrary military rule. And Terre Haute, Tampa, and the medieval farm lands of Arkansas are but the most recent of American communities to come within the scope of his activities. Scores of cities and towns have felt his influence. Picket lines, free-speech test cases, and the defense of racial and political minorities have all known Norman Thomas, not only as a partisan in their behalf, but as an active participant in their struggles.

In politics, too, Norman Thomas has more than matched his theoretical interest with practical application. He has run for member of the Board of Aldermen in New York City, for the State Senate and the United States

Senate, for Mayor of New York City, and now, for the third time, for the Presidency of the United States. Always, his campaign has been one of aggressive education in fundamental Socialist principles, closely and harmoniously knitted with the immediate needs of the situation. In New York City he instituted the assault on the corruption and degradation of the magistrates, justices of the "poor man's court." Several judges now in involuntary retirement have Mr. Thomas to curse for their fate. In 1929, he ran for Mayor for the second time and laid the breastworks which blew up a few years later, sending the city's most popular Mayor, Jimmie Walker, into political oblivion. The movement for public, low-priced housing to replace the great stretches of slum area has reached its present stage of public consciousness, if not yet of completion, because of Mr. Thomas' constant hammering away at the issue.

Doubts About the World

Seeking biographical data from Norman Thomas, one receives an injunction to eliminate all cant and window-dressing. "Don't try to make a sentimental 'Log Cabin to White House' picture of your story," he writes. "I wasn't born in a log cabin and I'm not likely to live in the White House. I worked at a lot of jobs when I was a kid because most of the boys I knew did. My folks had to count the pennies pretty carefully, but I was never hungry."

The Socialist leader was born on November 20, 1884, in a two-story parsonage next to his father's Presbyterian Church on Prospect Street, in Marion, Ohio. Young Norman Thomas studied at Bucknell, and later, at Princeton's theological seminary, he prepared for the ministry. While at Princeton, he took every available

course in sociology. By commencement in 1904, he had developed some doubts as to whether the world was at its best.

Norman Thomas' years in the church also provided an outlet for his rapidly forming social beliefs. He took a job, on leaving Princeton, at the East Side Settlement in New York, at a salary of \$500 a year. After a trip through Asia, he returned to take up his work as assistant pastor of Christ Church in the metropolis. After a brief interlude as assistant to the Rev. Henry Van Dyke at the Brick Presbyterian Church on Fifth Avenue, Mr. Thomas went for seven years to the American Parish in the heart of Italian working-class Harlem. Here he found full play for his community interests, and his social work formed an inevitable counterpart to his preaching. The World War found him still in the American Parish. In the meantime, he had been reading H. G. Wells and other Socialists.

Fight for Pacifism

To Norman Thomas, the World War and the United States' participation in it was a test of Christianity and social intelligence. He rejected the notion of slaughter and force on the part of Russia, Japan, and Great Britain as a means of bringing democracy to the world. With Rabbi Judah L. Magnes, the elder Senator La Follette, and Eugene Debs, he opposed the War and urged an immediate and constructive peace. When Morris Hillquit, the Socialist, ran for Mayor of New York City in a notable protest against the War, Norman Thomas gave his support to him. Now the elders of the church, who had been financing their minister's all-important social work, drew back in resentment. It was bad enough, they felt, for Thomas to be a pacifist; for him to support a Socialist



NORMAN THOMAS

was too much. The budget for the social services was not forthcoming. Thomas understood and resigned his pastorate.

Norman Thomas, Journalist

Thomas joined the Socialist Party when many of its erstwhile leaders, tried in the crucible of unpopularity and war fever, were deserting it. With other advocates of peace, he joined in the work of the People's Council and the Fellowship of Reconciliation. He became editor of *The World Tomorrow*, organ of the F.O.R., and as such won a compliment he has ever prized. Postmaster General Burleson had been busily barring pacifist and Socialist publications from the mails. Turning his attention to *The World*

Tomorrow and its editor, Burleson declared, "Thomas is more insidious than Debs." Thomas' answer was to help organize the Civil Liberties Union, which gave Burleson and Attorney General A. Mitchell Palmer, who tried to ride to the Presidency in 1920 by persecution of real and imaginary "reds", more to worry about. Thomas espoused in particular the cause of the "C.O.'s", the conscientious objectors to war service, who preferred military prison to fighting a war they did not believe in.

With the end of the War came the famous expulsion of the ten Socialists from the New York State Legislature. Thomas, a "star" witness for the defense in the trial which followed, tried to shatter the hoary falsehoods about Socialism, the home, and religion which the Socialists' prosecutors had injected into the case. A few years later began his association with Dr. Harry W. Laidler in the directorship of the League for Industrial Democracy, which Jack London and Upton Sinclair had helped to found in 1905 as the Intercollegiate Socialist Society. An editorship of *The Nation* and a brief period as editor of the labor daily, *The New York Leader*, followed.

Leader of the Socialists

From 1924, when he was nominated for Governor of New York State, dates Thomas' political leadership of the Socialist Party. He was an innovator as a Socialist politician; no Socialist has ever succeeded so well in winning public attention for his cause. He combined his Socialist principles with their practical application to current issues. He brought young research men and publicity men to his aid. His copy became sought after by the newspapers, not one of which, at the outset, supported him. After the 1924 campaign, the liberals with whom

the Socialists had joined in supporting La Follette for the Presidency fell by the wayside, but Thomas carried on. He ran for Mayor of New York in 1924 and again in 1929 in the most important Socialist municipal campaign the party has ever staged. Against the dogged La Guardia and the flighty but colorful Jimmie Walker, he sent broadsides of substantial municipal Socialism. The Citizens' Union, most respectable of good government groups, was forced to announce its preference for the Socialist candidate. A few days later, the Scripps-Howard *World-Telegram* also urged votes for Thomas, and Pulitzer's *New York World* counselled its readers to vote for Thomas or go fishing on election day. Liberal Republicans and Democrats deserted their parties and joined with Socialists to give Thomas 175,000 votes, a new high for the party since the memorable campaign of 1917.

Thomas was the Socialist candidate for the Presidency in 1928. He took a party more dead than alive, cursed by a spirit of defeatism, and re-established it as a political entity, although it polled only a quarter of a million votes. He returned to the battle on a national scale in 1932 and raised the party's total to 900,000. The 1932 campaign was followed by a distasteful job. The elder Socialists, rooted half in a spirit of defeatism and half in a dogma that called for the mere mechanical iteration of their belief in the accuracy of Marxian theory, had begun to resent the aggressiveness of Thomas. He told them he had not left the church in 1918 to join a new one. He told them the class struggle theory was something to be taught as an ideal of solidarity and to be fought for in the day-by-day political and economic struggles. He would not share their feeling that it was to be regarded as a fatalistic

scripture of inevitable, unfought-for Socialist victory. With all the bitterness of old men hating to surrender the prerogatives of age, the Socialist "old guard" called Thomas at once a "reformer" and a "communist." With tolerance and hopes of peaceful persuasion, Thomas tried to convince them. This failed for several years, and early this year he performed a surgical operation which has now removed from the party the dead hand of a sterile Marxism. Having taken control of the party, Thomas was not one to dodge his responsibilities. So, in this year, Thomas has again accepted the job of carrying his Socialist message to the voters and workers:

Towards a Farmer-Labor Party

He regards the New Deal as another illustration of liberal patch-work, already shown—by the presence of more

than ten million unemployed—to be a failure; he regards the Democratic Party as a combination of liberal rainbow-chasers, Southern industrialists and bigots, and corrupt or reactionary city political machines in the North. He points out ceaselessly that his three most recent battles for labor have been in Democratic States and cities: in Arkansas in behalf of the sharecroppers; in Indiana against martial law; and in Tampa, Florida, against mob rule and vigilantism. He does not say the Socialist Party will stand aloof and superior from the formation of a labor party, but insists that no such party is in the arena in this election. Today Norman Thomas and his supporters regard votes for the Socialist ticket as the best and only ballots for the formation of a large and inclusive American Farmer-Labor party.

Thomas on Negatives

[Democrats and Republicans] pander to the popular habit of voting against something rather than for something.

For this I do not blame the politician so much as the voters. If they like to turn over blank checks to incoming officials why should candidates offer them anything else? Nevertheless, the habit of which I speak tends to give us campaigns full of sound and fury, signifying nothing.

The outstanding illustration of the evil of which I speak was furnished by Father Coughlin at the Townsend Plan convention at Cleveland. The priest whipped his great audience into frenzied enthusiasm by the unrestrained vehemence of his denunciation of President Roosevelt and others whom he does not like, and by such further appeals to the intelligence as tearing off his coat and collar. Never once did he refer specifically to the Townsend plan or retract his earlier criticism of it as "economic insanity."

—From a speech by Norman Thomas at Chautauqua, N. Y.



J HAT THIRD PARTY

—a curious compound of ideas and personalities, in which the personalities take the foreground. And here they are, as seen by HERBERT HARRIS.

TEN years ago a young parish priest walked into the executive offices of radio station WJR, owned by the *Detroit Free Press*. He introduced himself to the manager and asked that his Sunday morning sermons be broadcast. He explained that he was trying to build up his parish in Royal Oak—a little community twenty miles from Detroit's business center. He wanted to reach a larger audience, he said, and make his church better known—nothing more.

FATHER COUGHLIN

The manager liked his visitor. He also thought it would be a good idea to evolve a Catholic program in a city where some 51% of the population were communicants of Mother Church. The necessary arrangements were promptly made; and for four years thereafter Father Charles E. Coughlin's sermons were put on the air—with the net result that he remained an obscure and diligent toiler for the faith, indistinguishable from thousands of his brethren in the Roman cloth. But after a time he happened to vary his radio procedure by giving talks to children on the moral lessons of Holy Writ; and almost accidentally he began to highlight such homilies with brief comments on contemporary events—social, political, economic. Soon he discovered that the parents of his young listeners were more interested than their progeny in what he had to say. A trickle of laudatory letters, forerunners

of a future tidal wave, began to awaken him to his own unexplored potentialities as a microphone messiah.

It was not until late in 1930, however, when the depression seemed to be digging in for a long siege, that his discourses started to evoke more than local attention. Meanwhile he had fashioned what still is the formula for his orations:

- A. An assault upon some political or economic principle ("bureaucracy", "usury"), or upon some public figure (Hoover, Roosevelt, Johnson), or upon a special group (communists, bankers, or with more delicacy, Jews).
- B. A fervid exaltation of honesty and Christian ethics in business and government.
- C. A tribute more ardent than exact to anyone who happens to agree with him.
- D. The whole generously buttressed by direct quotations or paraphrases from the encyclicals of Popes Pius XI and Leo XIII.

The response to this kind of a radio message was not only encouraging; it was almost miraculous. And every time Father Coughlin hinted that his broadcasts might cease for lack of money, donations came cascading in, first from regions around Detroit, Cincinnati, and Chicago which his small network reached, and later from all parts of the country. By 1931 he had already set

up the "Radio League of the Little Flower" and perfected a fund-raising technique which made it possible for him to spend \$1,650 weekly on radio time.

For a while, when he concentrated on the subject of currency, he completely captured the American heart. He soon perceived that the wayfaring American, however hard-headed in other respects, retains deep inside him the conviction that somewhere there exists some method of manipulating money by which permanent prosperity can be achieved. Ever since early 1932 he has hammered away at this general theme. And as his audience grew, he became bolder. His attacks upon the "god of greed", as worshipped by such high priests of Baal as Messrs. Morgan, Mellon, Meyer, and Mills, compelled postal authorities in the Detroit area to quadruple their delivery force in order to handle the 6,000,000 letters commanding the Father's crusade against the "money power."

Keenly aware of variety's value, the priest next turned his attention to such matters as the menace of communism and the hypocrisy of prohibition, regularly extending his radio hook-up until it spanned the country from coast to coast. The contributions to his cause enabled him to start construction on the world's first church of St. Theresa of the Little Flower, his patroness, canonized in 1925 for her "strange prophecies." Nearby, he also built the graceful shrine of "The Little Flower" with its spacious Crucifixion Tower, in which he established his own headquarters and installed 96 clerks and stenographers to take care of his fan-mail, which, for two years, averaged 80,000 letters a week.

He Wanted to Command

When Roosevelt defeated Hoover, Father Coughlin had achieved national

renown. He was a force to be reckoned with in American public life. He was widely quoted in the press; and as a valiant supporter of the New Deal he participated in White House councils. But apparently he was not content to remain an advocate, or an adviser; he wanted to command. It was no longer enough to shape public opinion. He wanted to lead men. He relinquished his character as the impersonal interpreter of social trends—a voice oracular, disembodied—and moved down into the world to become a hand-shaker, an organizer, in the flesh.

Some 18 months ago he launched a membership drive for his National Union for Social Justice, established as a kind of super-lobby and as an instrument by which he could stamp his own profile on the molten wax of social change. And at the recent Cleveland convention of the NUSJ, it was apparent that Father Coughlin owned the green pastures. Out of the depression's insecurity and discontent, he has formed what some believe may become the most potent political pressure-group ever to appear on the American scene. Certainly no other American wields such complete control over his followers. Father Coughlin makes them the sounding board for his theories, a mirror for his expanding ideas. He enrages them by references to "lying and corrupt politicians", "communistic New Dealers", "international bankers", and "brain-trusters who judge you by the bumps on your head." He instructs them by tracing out, in lucid schoolmaster style, the origins and development of the "iniquitous gold standard, of usury." He uplifts them by praising their own "nobility of soul." At least a dozen speakers at the convention hailed him as a modern Christ. He entirely dominated all the proceedings—wrote the organization's constitution, chose its officers,

had himself elected president. And significantly, amid rafter-ringing rejoicings, the delegates passed a resolution which endorsed "without exception all the acts of our great leader, Father Charles E. Coughlin" whose "teachings have come to us like manna." The mere mention of his name was a signal for bedlam.

Is He a Citizen?

Flanked by sound cameras and news photographers, he stood there on the platform of Cleveland's public hall, breathing in this adulation hour after hour and seeming to find it myrrh. He is a thick-set, crimson-faced man with heavy features, a fleshy nose, a large mouth. Under his rimless glasses are piercing eyes of cobalt blue. He is very boyish looking, sometimes seeming but an innocent, unworldly youth. He has made the garb of his calling a thing of elegance. His rabat is woven from fine brocaded silk, his clothes cut with Savile Row smartness. His Roman collar is very high; his wrist-watch and cuff links rich yellow gold. The Oxford quality of his diction is the result of careful cultivation to overcome the brogue of his earlier years. For he is Irish all the way through. His father, grandfather, and great-grandfather were Irish-American laborers, the latter having handled a pick and shovel on the Erie Canal. His father stoked fires in the holds of Great Lake steamers; and, although born in Indiana, made his home in Hamilton, Ontario, where he fell in love with a devout dressmaker, also Irish, and married her after a brief courtship. Father Coughlin was born in Hamilton 45 years ago. The exact status of his "citizenship" remains a moot question. As a native of Canada he may claim British nationality; and as the son of an American father he may also claim

American nationality—provided he can prove that his birth was registered at any American consulate in the Dominion. It is doubtful whether either of his parents, busy with their church, their family, their daily bread, ever gave this matter any special thought. In any case, since the priest was born on foreign soil, he can never become President of the United States under the Constitution.

Father Coughlin received his three "r's" at St. Mary's Parochial School in Hamilton, continued his studies at St. Michael's College, and at twenty was graduated from the University of Toronto. The story goes that after a post-graduate tour of Europe, he returned home, puzzled and uncertain as to his future. He was equally attracted to the church, to politics, to sociology. A former instructor took him for a long heart-to-heart walk and talk, convincing him that if he entered the church he might function in all three. He immediately began his preparation for the priesthood under the Basilian Fathers. Four years later he was ordained. His first job was teaching English at Assumption College in Sandwich, Ontario. In 1921 he began visiting Detroit to deliver a weekly sermon at St. Agnes Church; and within seven months he was transferred to the Kalamazoo district. Then, after three years of service, Bishop Gallagher, head of the Detroit diocese, assigned to him the arduous task of building up the little church at Royal Oak.

Never Speaks from Pulpit

Today, of course, Father Coughlin's original parishioners don't see him much. Although he often avers that he is "but a simple parish priest" his present eminence requires a substitute to take over his former routines. He never speaks from the pulpit any more,

but only from the elaborate broadcasting studio high up in the Crucifixion Tower; and instead of to a few hundred of the faithful, he declaims to millions of all creeds.

The priest has traveled far; but at this stage it is difficult to determine in what direction he is going. It is obvious, of course, that acclaim is bread and meat to him. And the absolutism of his control over the NUSJ reveals a man who thirsts for power. In his secretariat he surrounds himself with third- and fourth-rate people who are glad to throw in a good deal of genuflecting for their \$50.00 a week. He tolerates no opposition. His liegemen, like Sylvester McMahon, prominent Cleveland attorney, and Louis F. Ward, his Washington lobbyist, are mainly yes-men. They are errand boys. Father Coughlin is boss.

Is He a Fascist?

Outside of the trend toward currency inflation, his 16 points of Social Justice (12 of them lifted from the 1932 platform of the Minnesota Farmer-Labor Party) are so vague as to be meaningless without further explanation. Consider, for example, point number three, which calls for "a just living annual wage", or number 16 which states that "human rights are to be preferred to property rights." It is easy to approve such genial abstractions. But you have to guess at their meaning; and if you were at all curious you would want to find out. Father Coughlin's followers, however, are less interested in definitions than in divination. Anyway, the Father knows all the answers. Let him give you his own interpretation of point number 10: "labor's right to organize." He tells you:

"It is our aim to so work towards a reform in government***that the De-

partment of Labor shall not only protect labor, but shall counsel and guide it in its negotiations with capital. In the case of disagreement between employer and employee, it is the business of the public authority to intervene*** it is my own observation that strikes and lock-outs have occasioned more harm to the common good of the nation than any benefit which has been derived."

This proposal bears so striking a resemblance to Italy's present labor policy, "guild" Fascism, that Bishop Schremm of Cleveland was moved to remark the other day in Rome: "Father Coughlin wants some protection for the laboring classes and their families, and Fascism has now given it to the Italian workman. I don't see why American capitalists can't understand that."

This raises the inescapable question: is Father Coughlin a conscious fascist, and are his adherents potentially an American variant of Sturmwehr and Squadristi? An impartial sifting of the available evidence makes the answer affirmative. In his relation to the NUSJ he typifies the "leadership principle" of the autocratic state. All authority is concentrated in his own hands. It should also be noted that not a single delegate among the 8,153 at the convention opposed the conspicuous omission of freedom of speech, press, and assembly in the organization's statement of aims. Like Il Duce and Der Fuehrer before their accessions to power, Father Coughlin promises all things to all men. In sheer fog his "program" often outdoes the mystical mouthfuls of Hitler and Mussolini alike. Like them, he assails "Red, atheistic communism" and "godless capitalism." Like them, his radicalism is rhetorical, not real. He berates the "money changers", but two of his strongest backers are financiers—Mr.

Frank Keelon, who specializes in foreign exchange, and Mr. Robert Hariss of Hariss and Vose, cotton brokers. Like Europe's men on horseback he also is a master showman, rivaling Barnum in his knowledge of the mass mind. His exits and entrances are staged with a fine sense of the curtain. With feudalistic flourish he sweeps up in a limousine to an auditorium, accompanied by at least two of his burly bodyguards, followed by an assorted 10 or 12 secretaries, and preceded by a flying flange of motorcycle cops whose sirens are as tuckets and drums. Once on the platform, he advances almost lovingly towards the microphone. His influence derives from his mastery of radio technique; he knows it, and he is

always conscious of it, almost caressing the metal disk of the microphone, handmaiden of his will to power. He talks with his lips only a short distance from the "mike." He rarely moves about; even in excitement he stands rooted to the same spot, all his energy going into his voice gradations, from sepulchral tones of warning to loud shrills of defiance. And apparently he has embarked again on a campaign of Jew-baiting, feeling, perhaps, that the scapegoats of 50 centuries may serve the purposes of an emotional dynamic.

"I am not asking the Jews of the United States," he thunders, "to accept Christianity and all of its beliefs but, since their system of a tooth for a tooth and an eye for an eye has failed,



International News Photos

MICROPHONE MESSIAH: Father Coughlin in action.

that they accept Christ's principle of brotherhood."

But in contrast to the tempestuous, almost pathological, style of his public utterance, Father Coughlin's private conversation is calm, bland, reasonable. He is then very much the cultured priest who, with studied facility, quotes from Karl Marx and Tertullian. He is all for sweetness and light. The priest responded with courtesy to this interviewer's questions:

"Hearst? Really, I have no use for Hearst."

"The C.I.O.? Why John Lewis is fifty years behind the times—Germany had such unions under Bismarck."

"The Spanish situation? As much the fault of bad Christians, failures of Christians, as anything else."

"If the show-down came between communism or some other indigenous collectivism, and fascism? I wouldn't like the regimentation of either, but I would have to choose fascism, if only for religious reasons."

And when we left him, thanking him for his courtesy, he said: "We must be kind to each other. We all must be kind."

GERALD L. K. SMITH

Far less subtle and learned than Father Coughlin is the Rev. Gerald L. K. Smith, who gives to Sinclair Lewis' *It Can't Happen Here* a note of terrible and authentic prophecy. For this minister from Shreveport, Louisiana, is obviously out to go somewhere; and it is equally obvious that he wants to arrive at his destination astride a white horse. He is a diligent disciple of the late Huey P. Long, although his relationship to the Kingfish has only quite recently assumed its Damon and Pythias character.

The Rev. Mr. Smith was not actually

the right bower of Louisiana's Lord. He was a loyal, useful henchman, an ace performer on the sound truck which Huey used to send out to the remote parishes of his province. And he was his master's most plausible apologist, describing Huey's czardom as merely "the dictatorship of the surgical theater."

"After all, the surgeon is put in charge because he knows," said Mr. Smith. "The nurses and assistants therefore defer to him, not because they are servile, but because they believe in the surgeon and realize that he is working for the welfare of the patient."

But with Huey in his grave, and his political machine "sold out" to the always-forgiving Mr. Farley, the Rev. Mr. Smith presented the sad picture of an understudy demagogue in search of a movement. As chief official organizer of "Share-Our-Wealth" clubs, he claimed that his slain monarch had personally bequeathed the scepter to him; and he went up and down the land saying, "Six million people have written to me to say 'You lead. I'll follow you.' And when the time is ripe, when chaos comes, I'll lead them, all right."

When some months ago Governor Eugene Talmadge held his grass-roots rebel rally down in Georgia, the Rev. Mr. Smith stole the show, and the Governor hasn't forgiven him yet. It was hard, of course, to understand why, with so vast a following of his own, he felt called upon to muscle in on the territory of Talmadge, whose influence is confined to the borders of his own State. But there was a grand chance for hitting the front pages, and the Rev. Mr. Smith has an abiding admiration for publicity, good or bad. Huey used to feel the same way about it. He didn't care what they said about him, so long as he wasn't ignored. In any case, the Rev. Smith's most mem-

orable utterance at the convention of Georgia crackers was:

"We're going to drive that cripple out of the White House—and we're going to do it in 1936."

For Mr. Smith, too, hates Roosevelt, carrying on his dead liegelord's campaign against the President. Since Talmadge, however, gave Mr. Smith only the hostility of one "hot-shot" talker outdone by another in his own bailiwick, he had to go looking for other bandwagons. In New Orleans the remnants of the Long machine also gave him the cold shoulder, thinking him too ambitious and too naive, and a kind of third pirated edition of Huey himself. Mr. Smith was pretty forlorn. He was all titivated up and hadn't any place to go.

Some Fire for Townsend

Then came the dawn. Dr. Townsend was having a ruckus with Earl Clements, co-founder of the OARP, and another ruckus with the Bell Congressional committee which was investigating the pension plan's finances. All at once Mr. Smith started to hand out press statements, make speeches defending the doctor's integrity and endorsing the OARP, and then, lo and behold! he was second-in-command of the Townsend movement, as if destiny had shaped him to be always a best man but never a groom.

He injected new fire-eating qualities into the Townsend forces. It was at his insistence that the name has been changed from Old Age Revolving Pensions, Ltd. into the Townsend Recovery Plan. His argument was that the youth of the nation had to be enlisted before the organization, including Mr. Smith, could get anywhere. He has already commenced a nation-wide cam-

paign to organize "youth battalions."

"They're going to be green boys," he told this correspondent in Cleveland a few weeks ago. "None of your drug-store cowboys, your sophisticates, your parlor pinks, your campus intellectuals, but nice clean boys from the farms, simple and Christian—with courage that seems to be disappearing, nowadays."

In his enthusiasm Mr. Smith stood up and began striding up and down his suite at the Hotel Cleveland. He cannot converse, he must orate. He needs room in which to swing his arms. He is a broad, husky, dynamic man, weighing more than 200 pounds. His mouth is big and mobile, his hair sandy, his face bronzed with high Indian-like cheekbones and a strong, beaked nose. He doesn't drink nor smoke but seems to take out the lack of such indulgences by chewing matches, gnashing them into bits between his very white teeth, and sputtering out the splinters.

To an inquiry about the "Share-Our-Wealth" philosophy, he explained that its objective is "to democratize wealth without destroying the capitalist system." He also touched on certain improvements he has added to the "Share-Our-Wealth" program. He wants the Government to establish throughout the country units of a "Commonwealth University", which would teach, lodge, and board students free of charge, after they had passed various mental and physical tests. He is especially concerned with the physical aspects of education; he fears Americans are deteriorating as a race.

"We're too soft and flabby," he says. "There are more lazy men in the country today than ever before in its history. That's why we have such lousy government. The lowest form of animal life in this country is the United States Congress. Why, the real Americans—trustees of the church, presi-

dents of carpenters' unions, heads of Chambers of Commerce and of the D.A.R.—they've never been really interested in politics. Politics is prostitution. Now, friend, what I really want is an organization of 1,000 eloquent men. I want them to go up and down the country preaching true Americanism. They will, first of all, preserve the sacred right of private property; second, help to uphold the Constitution; third, glorify the American flag; and lastly, drive the Communists out of the country.

"Now, wait a minute, what did you want to ask me? Roosevelt? He's just a soft, vacillating politician who is being used by Tugwell and the other Reds. I'd rather see Norman Thomas in the White House. The responsibility would sober him.

"John L. Lewis? No! Vertical unions look towards the wiping out of private property—they would Keren-skyize the system. And I believe in capitalism. I'd like every boy in America to want to be a millionaire.

"Landon? He's a weakling—he'd be putty in the hands of the Wall Street Republicans.

"Public ownership? Not in anything! I'd rather that a municipality didn't even own the town pump. It would be better in private hands. Even the police department, and the fire department. I mean it, everything."

Lessons in Hate

Mr. Smith makes no secret of his own ambitions. He wants to become the nation's A-1 22-carat rabble-rouser; he glories in the title. With a trace of contempt for the people, en masse, he discloses his technique: "Religion and patriotism, keep going on that. It's the only way you can get them really 'het up'."

He differs from his preceptor in two

crucial respects: he is anti-intellectual whereas the Senator always had a pathetic respect for book-larnin', *per se*. And he is anti-Semitic whereas Long was virtually devoid of racial prejudices. Early this year Mr. Smith, who had been reading about the Nazis, tried unsuccessfully to stir up a boycott against Jewish merchants in New Orleans.

"I'm not a teacher," he boasts. "I'm a symbol—a symbol of a state of mind. When the politicians overplay their hand, certain nerve centers in the population will begin to twitch—and the people will start fomenting, fermenting, and then a fellow like myself, someone with courage enough to capture the people, will get on the radio and have the people with him, hook, line, and sinker. I'll teach 'em how to hate. The people are beginning to trust true leadership."

Mr. Smith comes honestly by his religio-rhetorical bent. He is descended from four generations of circuit-riding "hellfire and brimstone" preachers. He was born 38 years ago in the village of Pardeesville, Wisconsin, where his father was pastor of a rural congregation. From the parental farm he rode daily 14 miles on horseback to attend high school at Viraqua, Wisconsin, "always doing a fair share of the chores, besides." He was the best debater in the county; and in his junior year he won an elocution contest with—inevitably—Bryan's "cross-of-gold" speech. He worked his way through Valparaiso University, Indiana, majoring in literature, Biblical history, and dramatics. He was graduated at 19, after 2½ years, and felt the preaching urge descend upon him. For a time he merely "pinch-hit" at various pulpits when the regular ministers were ill or on vacation. His first legitimate "call" was to a church in Deep River, Indiana, where his Billy-Sunday-like evan-

gelism won him 38 new converts and baptisms within a month. In 1922, a rousing "Come-to-Jesus" performance at a St. Louis church convention gained him a post in the Seventh Christian Church of Indianapolis whence he promoted himself to the bigger Butler University Church in the same city. It was here that he married a boyhood sweetheart, Miss Eleanor M. Sorenson, a pretty, svelte, and charming woman who travels with him on his present peregrinations.

In 1928 he was summoned to the fashionable King's Highway Church in Shreveport, where Huey P. Long was an attorney and counselor at law. Their association began after Huey had used political pull to stop a mortgage company from evicting some of Smith's more indigent parishioners. It was not until four years later that Smith became more intimately identified with Long, starting off at first as a guest speaker at political meetings, and then afterwards as a stellar attraction on Huey's sound-caravan, touring the hinterland to spread the gospel of \$5,000 a year and "Every Man a King." Finally he relinquished the altar for the forum, devoting all his time to setting up "Share-Our-Wealth" clubs on a national scale. It was an enterprise in which love's labor was soon lost; for with Huey's death, the clubs, once numerous, have dwindled away; but Gerald L. K. hopes to revive them again under Townsendite aegis.

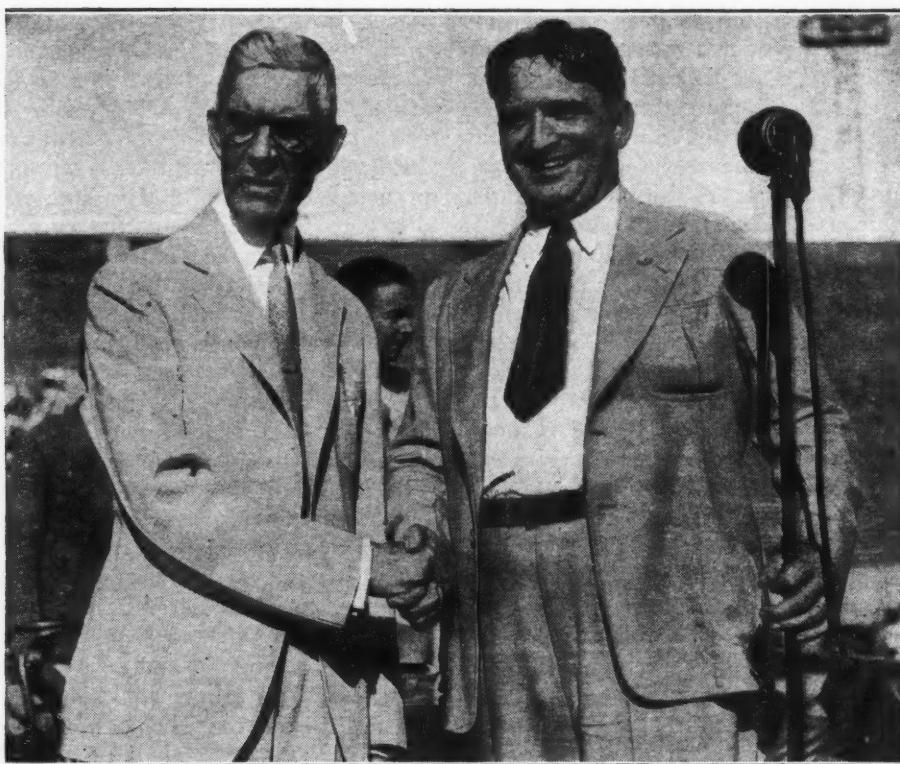
He Outdoes Coughlin

A while ago, he nearly stood the Townsend convention on its collective ear with a rip-roaring harangue and this chanting climax: "They tell me that I mustn't refer to our sacred flag. That would be rabble-rousing. They tell me that I must not speak of our glorious Constitution. That would be

rabble-rousing. They say to me that I mustn't quote from the holy book, our Christian Bible. But let me tell you, friends, that if it is rabble-rousing to praise the flag and the Constitution, and to love the Bible, then I can only pray to God that in His infinite wisdom He will make me the greatest rabble-rouser in the United States."

Some weeks later he duplicated this feat at the Coughlinite meeting. Before a live audience he makes Father Coughlin seem somewhat less articulate than a waxworks dummy. His great frame shuddering with emotion, he lashes himself and his hearers into a frenzy, shedding his coat after the first few minutes, staining his blue shirt with sweat. His eyes bulging, his face lustrous with perspiration, he bellows:

"A nursing baby, they say, is content while it's taking milk; you set in your places and take it while I pour it on, and I'll tell you when to clap. . . . I come to you 210 pounds of fighting Louisiana flesh, with the blood memory of Huey Long who died for the poor people of this country still hot in my eyes . . . and I'll show you the most historic and contemptible betrayal ever put over on the American people . . . our people were starving and they burned the wheat . . . hungry, and they killed the pigs . . . led by Mr. Henry Wallace, secretary of Swine Assassination . . . and by a slimy group of men culled from the pink campuses of America with friendly gaze fixed on Russia . . . beginning with Frankfurter and all the little frankfurters, they put the blue eagle in the non-union shops while they told the workers to organize under section 7a; and the United States Government became the biggest employer of scab labor in the world (hold it, I'll tell you when) . . . and they had the face to recognize Communistic Russia where two million Christians



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"We must banish misery," says Dr. Townsend (left).
"I'll teach 'em how to hate," says Rev. Smith (right).

had been butchered and the churches were still burning . . . this election to me is only an incident . . . my real mission is to see that the red flag of bloody Russia is not hoisted in place of the Stars and Stripes. . . . Give that a hand!"

They gave it a hand. They stamped and they yowled—and with such rapture that Father Coughlin, sitting behind the speaker's stand, seemed uneasy and apprehensive. He doesn't relish the rivalry of a rhetorical superior even if that advantage doesn't extend to the radio. In fact this very ability of the Rev. Mr. Gerald L. K. Smith to hit the sawdust trail and conquer all before as he whoops along may provoke a split in the precarious coalition of the Townsend-Smith-Coughlin forces be-

hind the Lemke candidacy. Already the padre is worried lest Gerald steal his show.

DOCTOR TOWNSEND

Apparently Dr. Francis Everett Townsend has no such fears about his new colleague. Nor does he seemed alarmed over Mr. Smith's pronounced fascist leanings. When it is suggested to him that perhaps the Rev. Gerald is cunning and ruthless and eloquent enough to Hitlerize America, the doctor dismisses the idea as "utter nonsense." He further continues: "I wouldn't allow it. Anyway, fascism is very remote here—unless of course this pauperism goes on indefinitely."

We interviewed Dr. Townsend while

he was resting on his hotel bed reading a copy of *Liberty* magazine. At 70, this gaunt, lantern-jawed physician, with his deep-sunken eyes, his whitened hair, his smudge of a mustache, is more certain than ever that his plan provides the simple and practical specific with which to remedy America's economic ailments. Despite "revelations" and resignations and charges and counter-charges, it is impossible to doubt his sincerity. He is a good man who wants to help others. He seeks no political office, no radio rulership, no large personal dominion. He is an honest Utopian. And from the standpoint of fostering mass delusion, he is the country's most dangerous demagogue, using the term in its generic sense as "a leader popular with the people." His popularity among his followers stems more from his plan than from his personality, whereas with Coughlin and Smith the reverse is true. The doctor's adherents respect him; they admire him; they think him selfless and incorruptible. But in the main their devotion to the movement reflects their belief in the efficacy of his medicine. He is proof positive of the increasing credulity of the American people. Even Hitler and Mussolini, with all their mistiness of propaganda, advanced nothing quite so fantastic, so fuzzy around the edges. The people who adhere to the Townsend cause and regularly send in their dimes are impervious to logic, to reason, to arithmetic. Their loyalty to this new credo of redemption has passed out of the realm of rational thought into the realm of faith. And this situation, with thousands upon thousands of people straining after a Poictesme of security, tends to create an accepting and unquestioning state of mind which is not only infectious but also denies democracy and opens the way for dictatorship.

The many and diverse criticisms of

his plan have not ruffled Dr. Townsend's serenity; although he has made some effort to amplify its appeal by stressing its recovery aspects, and refuting the arguments of the opposition. Despite his frequent prayer, "God deliver us from the professional economists", their snippings at the plan have lately brought forth more and more statistical proof of its worth and validity. Below, for example, is the way Dr. Townsend will show you on a piece of paper how the transaction tax works when applied to a suit of clothes retailing at \$25.00

	SALE PRICE	TAX
1st sale, farmer to wool buyer, 10 lbs. @ 20c.....	\$2.00	\$.04
2nd sale, wool buyer to wool broker @ 25c. lb.....	2.50	.05
3rd sale, yarn maker to cloth maker @ \$1.00 lb.....	5.00	.10
4th sale, wool broker to yarn maker @ 30c. lb.....	3.00	.06
5th sale, cloth maker to suit maker.....	7.50	.15
6th sale, suit maker to retailer.....	15.00	.30
7th sale, retailer to consumer.....	25.00	.50
Total tax, if passed on to final buyer		\$1.20

He obtained this estimate from William Goldman, New York clothing manufacturer, and he is sure that it's not only right, but water-tight. Soon to appear in print will be similar expositions of the turnover tax as it pertains to a cotton shirt, a loaf of bread, wheat speculation, and the stock exchange.

At the moment, perhaps the most interesting thing about the doctor's economic philosophy is the way it blends the Harold Loeb-Stuart Chase abundance outlook with "velocity of money" witchcraft. His private and public utterances are brimful of such statements as: "the people must take charge of their Government and repudiate the school of scarcity and want and hunger in a land of abundance"; and again, "we must banish misery, we must end poverty amid potential plenty." He has dramatized effectively the neo-technocratic thesis that present-day mastery over materials and ma-

chines can provide an ample security for everyone. Yet he stops short when it comes to adopting the technocratic remedy: complete collectivism and production for use. He affirms his belief in a "controlled capitalism." Despite his deep admiration for Edward Bellamy, he thinks the planned economy solution advanced by *Equality's* author is at once unnecessary and unreal.

"All we have to do," the doctor told us patiently, "is properly to distribute credit. People have to buy or die. If we can catch every person, and tax him, just when he buys, the taxing would be harmless and be felt by no one. And I say that we can climb to undreamed heights if the goods we are able to create can be made available to the people of the country."

There is something obdurate and hickory-like in his tenacity of purpose. You feel sure that as long as he lives he will keep striving to attain his goal: the enactment into Federal law of his National Recovery Program. The experiences of the past 2½ years have implanted in him a deep distrust of politicians and parties. And he has been not at all over-eager to join with Father Coughlin in endorsing the Lemke-O'Brien ticket. He is reluctant "to complicate the issues."

"We have our own program which we believe is basic," he says "and if once put into operation it would eliminate, by producing a genuine prosperity, the necessity for the various reforms advocated by the Union Party and also the National Union for Social Justice."

Nevertheless, he explains, "since Lemke is the only one of the three candidates who is not our enemy, but our friend, we must do all we can to help him."

He would very much like to see Americans undertake their own re-

education in economics by means of "neighborhood clubs and study groups." He has the humanitarian's certainty that people would really like to be educated and taught how to think. And he has also a fervent, quiet patriotism, a love of country inherited, perhaps, from his paternal ancestor, Peter Townsend, who, in the Revolutionary War, swung the "great chain" across the Hudson to prevent British men-of-war from sailing to New York.

Background

Dr. Townsend's background is typically American even to his birth in an Illinois log cabin, near Fairbury, the second in a family of seven children. After a local grammar-school education he left home, roaming far and wide over the country less in response to any wanderlust than to his desire to find a secure and satisfactory stake in society. He turned his hand to homestead farming in Kansas, tried teaching school, but neither pursuit pleased him overmuch. And at 26 he decided to become a doctor. With a total wealth of \$100 he applied at the Omaha Medical School, insisting that he be accepted as a student. He was admitted by a friendly Dean who also got him odd jobs from furnace tending to paper peddling. During his college career his meager income never exceeded \$4.00 a week. He was 30 when he received his M.D. He began his practice in the Bearidge area of North Dakota's Black Hills. His patients were cowboys and miners, their children and their wives. Often he would ride a hundred miles on horseback to set a ranchman's broken leg, or to treat a scarlet woman in a shuttered house.

At the hospital where he headed the staff he met a nurse, Mrs. Minnie Bogue, a widow with a child of seven.

They were married; and, after a close professional collaboration of many years, they moved to Long Beach, California, where Dr. Townsend obtained a post in the municipal health department. It was there, after he had lost his job, that the vision of revolving pennies and pensions blazed into his mind.

In his own career, in his own cure for depressions, he epitomizes the substratum of a peculiarly American idealism. He is spokesman for all the cracker-barrel Utopians who are sure that, somehow, there will be discovered a single simple formula which will resolve all the tragic obstinate dissonances of economic struggle and forever banish human hardship from the earth.

fore has the traditional appeal exerted by all cheap money plans upon the agrarian, especially if his house and fields are mortgaged to the hilt and he faces the loss of both. Whether sound or not, his attempt to exorcise the demon of heavy mortgage burdens is understandable — inevitable, actually, when we remember that in his own Congressional district more than two thirds of the farms have been foreclosed since the Black October of '29. What is more difficult to understand, however, is his wholesale advocacy of the Sixteen Points of Social Justice, the Share-Our-Wealth program as streamlined by the Rev. Mr. Gerald L. K. Smith, and the Townsend National Recovery Plan.

Mr. Lemke's apologists assert that he doesn't really subscribe to the tenets of this triune faith but that as a practical politician he has merely come out for such proposals to "place" himself in the Presidential handicap, and that his real ambitions are fixed on 1940 when he hopes to lead a Farmer-Labor coalition to victory at the polls. Meanwhile, it is argued, the 1936 campaign affords him the opportunity to keep his personality in the limelight. Surely he seems to relish this new and national fame; especially since he was, for many moons, a laborer in the vineyard of agrarian politics and was, from a national standpoint, unknown and unsung. He now feels, perhaps, that through the agency of Father Coughlin, who drew him a nomination and a party out of the air, he is at last coming into his own. He exudes confidence; he informed us in Cleveland some weeks ago that 13 States, comprising most of the Midwest's agricultural areas, along with a Townsend stronghold of California and the Coughlin center of Rhode Island, are already safely in his column. His attitude towards President Roosevelt, at

WILLIAM LEMKE

The immediate political beneficiary of this strange messianic trinity is William Lemke, candidate for President on the "ticket" of the Union Party —an organization which, at the moment, exists mainly on paper and hope. If you attempt to take seriously everything he says, you might begin to wonder: (a) whether his mind is a bedlam of flapdoodle, or (b) whether he is essentially a faker with a large contempt for the ignorance and gullibility of the American voter. The latter conclusion is instantly ruled out by the solid respect and repute he enjoys throughout the farming regions of our Northwest. In his home State, in Iowa and Idaho, in Wisconsin and Minnesota, his is a name to conjure with; for he has been in the front-line trenches fighting the farmers' battles these many years. He is particularly admired for his co-authorship of the Frazier-Lemke bill, which would release 3 billions in greenbacks and there-

least in public, differs from that of his three nation-saving supporters, all of whom don't like Roosevelt; and a basic alloy in the collective purpose is to defeat him at any hazard.

"I should like to make it clear," Mr. Lemke informed us, "that we of the Union Party are not out to 'get' anybody. We are out to stop both Roosevelt and Landon." Certainly this statement would seem to disclose a very generous and forgiving nature, because it was the Administration's own steam-roller which, during the closing sessions of the Seventy-fourth Congress, broke the Frazier-Lemke bill into little pieces. And there did seem a trace of personal resentment in his voice when he declared: "I look upon Roosevelt as the bewildered Kerensky of a provisional Government. He doesn't know where he came from or where he's going. . . . As for Landon, he represents the dying shadow of a past civilization. . . . The public is looking for a real statesman yet to come."

"Real Statesmanship"

Mr. Lemke at 58 is convinced that his own talents and training fit him to exercise that "real statesmanship." He was born in Albany, Minnesota, and at the age of four was taken by his parents for a long trek over North Dakota plains, the family moving bag and baggage in two oxcarts, his father driving one and his mother the other. They staked out a land claim in the northernmost corner of the State; and young William lived the stern, rugged life of the genuine pioneer. As a boy he was fairly studious, reading a good deal in American history and biography; and today he is well steeped in the more polite literature about the Constitution. In 1902 he acquired his B.A. from the University of North Dakota, where he played tackle on the football team, and for three years thereafter he studied

law, first at Georgetown and then at Yale, where he received his degree in 1905. He returned to the West, always more congenial to him than the Atlantic Seaboard, and hung out his shingle in the thriving town of Fargo. He soon began to specialize in cases involving farms, their owners, and the granges they had wrought for their own protection in the market place. For nearly three decades he has been actively affiliated with every farm organization in the Northwest as spokesman and as legal adviser. When A. C. Townley and his embattled farmers formed their Non-Partisan League to combat the alleged mulctings of the "grain trustees", Mr. Lemke occupied a strategic post as a member of the league's national executive committee. To his colleagues he brought much-needed legal aid and a varied experience in litigation between farm debtor and city creditor. Moreover, when the league began to win elections he was called on to train in speech and statute-making men who were more familiar with the plow than with parliamentary tactics. In 1916 he acquired the chairmanship of the State's Republican central committee and for a while knew the heartaches of the political boss. He used this position to advance the league's cause, and himself became State Attorney General. In 1920 he was recalled as the result of a protest lodged by the electorate against the stewardship of league funds and its choice of supposedly shaky banks for its deposits. Charges that he was responsible for the disappearance of league moneys quickly evaporated, however; nobody then, or now, doubts his financial integrity. The experience embittered him; and for 12 years he retired to private practice.

In 1932 Mr. Lemke emerged again upon the political scene and was

elected to the House as a pro-New Deal Republican. He was reelected in 1934 after voting for virtually all Administration measures, including the NRA and the AAA. Incidentally, he is running again this year to retain his Congressional seat while campaigning for the Presidency.

A "Right Smart Talker"

Although in prairie regions he is regarded as a "right smart talker", his oratory is immensely inferior to Coughlin's and Smith's, and even to Dr. Townsend's dry dignity of address. His voice is too highly pitched, and paradoxically enough, has a ground bass of Teutonic gutturals. His subject matter is always weighted to the gunwales with statistics. He tries to be rigorously factual:

"Can we," he asks, "gain anything by selling goods on credit to bankrupt nations that already owe us \$26,000,-000,000 and have given no indication of ever trying to pay us back?"

Or he will yell: "We imported \$2,585,000,000 worth of goods, more than half of them agricultural, from foreign nations . . . under the mistaken idea that foreign trade is essential to progress." Like Coughlin, Smith, and Townsend, his speeches are saturated with Biblical references: "We should at least have shown the intelligence of Joseph in storing up for the seven lean years."

Despite the omnibus character of his platform he is willing to clarify his position on all and any political issues. If you inquire as to his position on labor, he will answer: "I am unequivocally in favor of collective bargaining. This is no longer the day of individuality. It is the day for getting together and acting in groups. Those who don't will be crushed."

His opinion of the Supreme Court? "It has made many errors, but the

people have more to fear from usurpation by the executive who has the soldiers and the guns. We don't need a new Constitution—we need a new set of judges."

And how about taxes? "We of the Union Party will reduce them by controlling money and credit and by the refunding of the public debt at greatly reduced rates of interest."

"Liberty Bell Bill"

As a campaigner Mr. Lemke has a poor sense of publicity values. He allowed the editors of Father Coughlin's weekly *Social Justice* to pin on him the label "Liberty Bell Bill", which is pretty silly, particularly in view of the widespread knowledge that the Liberty Bell is cracked. Throughout



International News Photos

WILLIAM LEMKE

his career, however, Mr. Lemke has had to bear similar sobriquets. His North Dakota neighbors call him "The Bishop", a designation won by his *ex cathedra* manner. And since he has begun to soak up Father Coughlin's monetary mumbo jumbo, his Congressional colleagues refer to him as "crackpot."

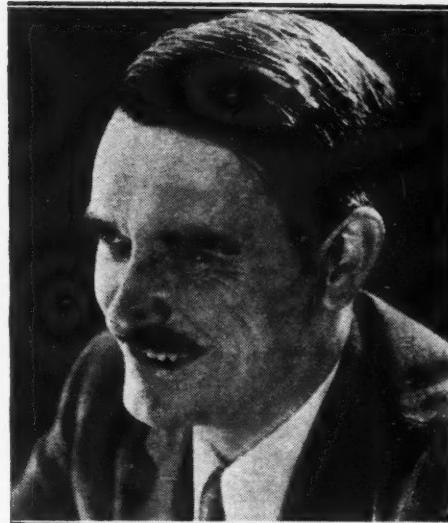
But Mr. Lemke takes joshing with good grace, remembering, perhaps, that as a devout German Lutheran he must forbear with his fellows. In appearance, however, he is hardly a meek-looking man. His jaw is anthropoidal, and his face long, its freckled skin pitted with pock-marks, the result of smallpox in his youth. His nose is spatulate and he is almost completely bald. His right eye is glass; and his left eye is always screwed up a little as if he were on the verge of imparting some secret information. He

wears a gray cloth cap which is usual headgear for North Dakota's windy spaces. His galluses and the kindly slouch of his solid figure are equally homespun. If extremely rural, however, he is also an extremely shrewd and realistic politician. If Father Coughlin, who "discovered" him and "built him up", thinks that he can dominate him utterly, he is likely to find that he has an adder by the tail instead of a puppet on a string.

It should be observed that Mr. Lemke is very touchy about this question of Father Coughlin's "telephone-booth" nomination. He assures you that he was nominated by the sovereign people of the nation who work for a living. But it is very doubtful whether he can poll a top of two million votes next November, despite the aids, assists, and abetments of Messrs. Coughlin, Townsend, and Smith.

Meet EARL BROWDER

—a "real American", very much in the Red—And he's from Kansas.



"**A**FTER this election," says Earl Browder, General Secretary of America's Communist Party, "both major parties will be a matter of history. A multiplicity of parties will arise, grouping themselves in general into two camps: the forces of reaction on one side, and on the other . . . a Farmer-Labor Party heading up a coalition of radicals and liberals . . . resembling France's 'People's Front' and defending democracy. The backbone of this new political alignment will be the progressive trade unions."

That last sentence is especially revealing in view of Earl Browder's own career. Ever since his conversion to socialism at the age of 15 he has been convinced that only when the "workers" banded together could they approximate their rights or move towards that cooperative commonwealth he so ardently desires. And by "worker" he means mainly the man of mine, and mill, and factory rather than the man with the white collar or even the hoe. That is why, of course, he greets the formation of the C.I.O. with such high enthusiasm, exclaiming: "It is the most promising development in the history of American labor!"

Its success is necessary to preserve democracy. We give our uttermost support to its aims!"

His own "labor record" dates from 1912 in Kansas City, where he was employed as a bookkeeper during the day. At night, he helped to edit *The Toiler*. Later on he became assistant editor of the *Labor Herald*, organ of the Trade Union Educational League; and in 1920 he founded the *World's Worker*. With William Z. Foster, he was for five years (1921-26) a fervent "borer from within" the A. F. of L., seeking to drive it left. In 1927 he went to China as a member of the International Workers' Delegation and was elected executive director of the Trade Union Secretariat in Hankow, spending 25 months teaching the Chinese the techniques of collective bargaining. His comrades rightfully regard him as an authority on trade unionism, here and abroad. Many of them also regard him as an American Stalin, which is less exact. The Soviet's "all-highest" is a masterful, dominant figure, a man of iron. Mr. Browder is a sweet-natured almost wistful person, looking more like a lyric poet than the leader of a revolutionary faction.

Yet underneath his mild and sometimes dreamy exterior you sense a certain hard and knotty strength, a bitter tenacity. He is slight in build, somewhat stoop-shouldered, with graying sandy hair and a russet mustache which droops at the edges. His eyes are ice-blue; and in brow and jaw he resembles the late Frank Harris, although his nose, while similarly aquiline and expansive, is smaller, less bulbous, and not at all crimson. When interviewed, Mr. Browder was attired in a double-breasted blue coat and white trousers with black stripes, an ensemble to which he managed to impart a singularly seedy and unkempt quality, heightened by a two-day stubble of beard.

"Real American"

Earl Browder was born in Topeka, Kansas, in 1891, one of ten children in a family descended from Scotch-Irish Browders—yeomen, who came to Virginia in about 1680, settling in Dinwiddie County. The father, William, was a teacher from first grade up in a typical little red schoolhouse — one room, one privy, one stove. He was a Unitarian in religion, and in politics, an ardent admirer of "Sockless" Jerry Simpson, the Populist. In 1900, perhaps worn down by the burden of supporting his brood, he suffered a nervous collapse, compelling young Earl to quit school, although both parents continued to tutor him. At 9, the youngster got a job as errand boy in a Topeka department store; at 14, he was delivering messages for Western Union, and was already a socialist sympathizer, regularly reading *The Appeal to Reason* and later peddling it on the streets, not so much for the money as to propagate the faith. He took a correspondence course in accountancy at night and at 18 became bookkeeper for a wholesale drug firm.

From 1915-17, young Earl was office manager for the Farmers' Cooperative Store in Olathe, Kansas. Friends who knew him then will tell you that he gained a local reputation for his dry drawling wit; and that he was esteemed as a "right purty performer" on the flute. He also experimented with verse; but his blithe times were soon to end.

When America entered the World War, Earl and his brother Bill formed the "League for Democratic Control", which sought a court order to restrain the Governor and sheriff from putting draft laws into operation. As a consequence, both Browder boys were imprisoned, each receiving a double sentence under two separate indictments: (a) a year in Platte County Jail, Missouri, on the count of having "resisted the draft"; and (b) two years in Leavenworth for "conspiring to block the draft." His sojourn at the little jail in the heart of Missouri's tobacco-raising country was made as easy as possible by a kindly sheriff who let him see his friends, read his "queer" books, and write a characteristically neat-minded little treatise on "A System of Accounts for a Small Consumers' Cooperative." At the Federal penitentiary where he was first a trusty keeping accounts in the front office and later a member of the prison band, he completed his education. Friends at the State university library sent him all the works on economics he asked for; and the stamp of such scholastic respectability made it possible for him to import Marx and Engels, which he studied by the hour. The rule of silence, rigidly enforced among the inmates, gave him ample time for digesting Marxist dogma, for reviewing Adam Smith's *Wealth of Nations* and Hegel's *Philosophy of History* with which he had struggled in his 'teens, when by some odd chance

both books had bobbed up in the Browder household.

At prison he also met Big Bill Heyward, a boyhood idol whom he had worshipped in 1906 when Heyward along with Moyer and Pettibone had been "framed" (Browder's word) on a criminal syndicalism charge growing out of the death of Idaho's Governor Steuenenberg by a bomb. In rare moments of conversation while exercising in the yard, "Big Bill" helped to solidify Browder's conviction that capitalism was not the best of all possible systems.

Joins Communists

When he was paroled after 16 months, he joined the Communist Party on July 20, 1919, a week after he had left Leavenworth. Immediately, he plunged into the left wing trade union movement, then headed by his exemplar William Z. Foster who encouraged him to travel and "find out what it was all about" in Europe and especially in Russia where he consulted at length with party strategists and attended the Third Congress of the Communist International.

This political Marco Polo, fresh from his Oriental experiences, returned to the United States a few days before the stock market crash in Black October, '29. Some months later, an internal dispute centering about Jay Lovestone, who had been elected party secretary only to have this decision revoked by Moscow, placed Browder in his present position, which he has held for 5½ consecutive years. Under his supervision the party has almost quadrupled its membership, now counting about 51,000 active dues-paying workers, including the Young Communist League, along with an additional 700,000 to 800,000 in "front" and mass organizations more or less firmly allied. During the period of his leadership,

the native-born affiliation has increased from 10% to 46% of the total, and the negro enrollment has risen some 25%.

Forty Dollar Salary

Despite his gentle demeanor, Browder is boss and his word is law—a circumstance which owes much, of course, to the rigorous discipline of Communist procedure. He works hard and long, and his salary of \$40.00 a week is but a minor incident in his routine. His diligence and endurance are astonishing. From early morning, when he leaves his modest apartment in Yonkers where he lives with his wife and two children, until after midnight, he is busy with party affairs. On the ninth floor of the Communist Party headquarters, 50 West 13th Street, he occupies a dingy little office where he sees countless visitors, conducts an international correspondence, confers with party chieftains. He speaks almost every evening, his audience varying from a handful of potential converts gathered in an empty store to 25,000 people jamming Madison Square Garden. He also does quite a bit of writing on the side, a practice which amplifies his income, even if his royalties are hardly munificent. He is the author of several party tracts, such as *Unemployment and How to Fight It* and *What Every Worker Should Know About the N.R.A.* He collaborated with William Z. Foster on two small volumes, *Technocracy and Marxism* and *Trade Unions in America*. More recently, he wrote *What Is Communism?* With him, the style is peculiarly the man: more plodding than profound, more competent than brilliant, more staid and steady than original or imaginative. He seems utterly devoid of humor and chockful of clichés worn thin and dull with duty since 1848.

"Like Lenin," he writes in his grim pedestrian prose, "we will fight to free our land from the blood-sucking reactionaries and place it in the hands of the masses, bring it into an international brotherhood of a World Union of Socialist Soviet Republics. . . ." His oral utterance is likely to be more effective, although his delivery is more sober than eloquent. At all times he hews strictly to the party line.

"Friends," he said in his speech accepting the Communist Party nomination for the Presidency, "you have placed upon me a heavy responsibility. You call me to carry the standard of the Communist Party and its platform which alone, of all parties and platforms, gives the correct answer to all the most burning problems of the people. . . . We see that the chief enemy of the peace, freedom, and prosperity of the American people is the Republican Party and its reactionary allies, Hearst, the Liberty League, Wall Street. . . . The self-styled Union Party of Lemke and Father Coughlin is the product of a Hearst-Liberty League intrigue. Lemke is clearly but a stooge for Landon. . . . The issue of the 1936 election is not a choice between socialism or capitalism. It is a choice between progress and reaction, between democracy and the path towards fascism."

"But do you really think fascism is imminent in this country?" we inquired.

"Yes," he replied. "I think there is grave danger of it; and the decisive circles of finance capital have made up their minds that fascism may well be their best way out, and they are preparing for it by establishing international contacts. . . . Their formula is: oppose communism by seeming to oppose both fascism and communism, and under this pretense of 'Americanism', they are entrenching their powers and

privileges, ready to beat down the rest of the nation into a dictated poverty in order to preserve their profits. . . . For example, they have issued the war cry against Roosevelt that the New Deal is socialistic or communistic. That is only their stratagem, their campaign demagogery . . . addressed to the middle classes and propertied folk to frighten them into accepting fascism as the alternative to a non-existent threat of socialist confiscation . . . they are trying to discredit socialism by identifying it with the failures of the New Deal . . . there is nothing of socialism in Roosevelt's policies or in the Democratic platform. . . ." He puffed deeply on one of the nickel cigars he alternates with his pipe. "It's significant to observe" he went on, "the similarity between the shibboleths employed by the fascist opposition to the present government in Spain and the slogans hurled at Roosevelt by the men who control the wealth of the nation and who are not only playing with fascist ideas, but are working on them. . . ."

"How about the war that seems to be brewing in Europe?" we asked. "Do you believe America will be drawn in?"

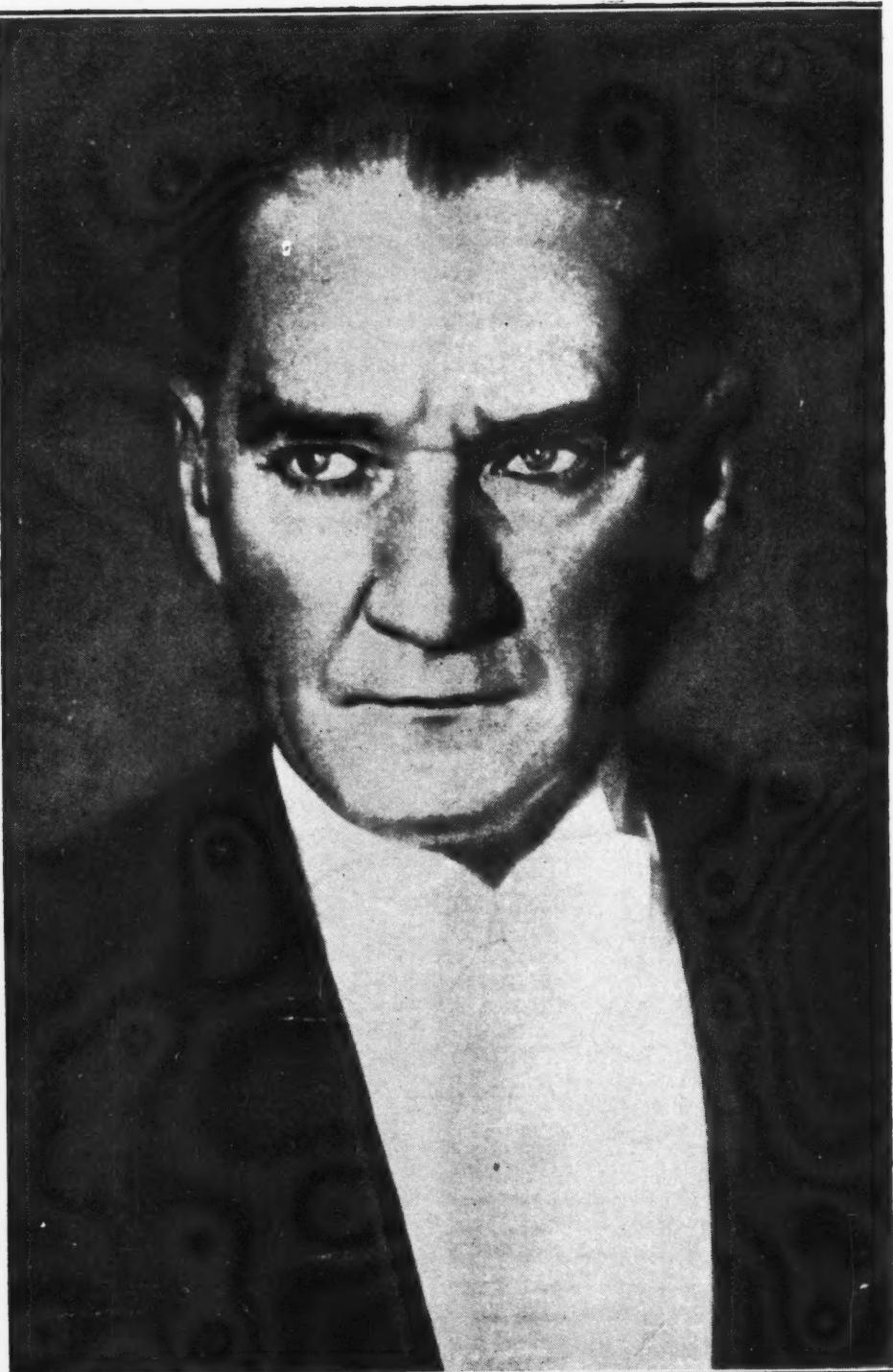
Mr. Browder nodded, pursing his lips. "I think the chances of America staying out of any general war are very slight because the forces for peace are so timid and unrealistic. Our very isolationism is in itself a pathway towards war. . . . Despite the fact that every foreign purchaser is today a defaulting debtor, in the very nature of the case, our imperialist ambitions or a new saviour delusion will draw us in. . . . Of course we shouldn't be too pessimistic about it—there is a deeply ingrained will for peace in the country, especially among the youth, and that may save us. . . . My own attitude is best summed up by our party's recent declaration which . . . insists that

peace must be maintained and defended at all costs. We also favor the strengthening of all measures for collective security, especially financial and economic measures directed by the League of Nations against Nazi Germany, Fascist Italy, and imperialist Japan. We feel sure that such measures should be supported by the American government. . . . The United States, in our opinion, should develop an American peace policy in close collaboration with the Soviet Union. . . . Any such understanding should be based on completely prohibiting the sale or delivery of goods and the granting of loans to nations engaged in a foreign war contrary to the provisions of the Kellogg Peace Pact. . . . Of course, we demand the nationalization of the entire munitions industry. . . ."

When we talked with Mr. Browder he was immensely saddened by the death at 44 of Floyd B. Olson, Farmer-Labor Governor of Minnesota. "He was a remarkable man," he said, "and a great and courageous

leader. . . . The best monument he has left, I think, is that he built up something that will last and surrounded himself with people who can carry on, now that he is gone."

That attitude, of course—"the cause above all else"—is congenial to Mr. Browder. He has subordinated himself to the party like a monk to his God. Despite the pressure of work, however, he retains certain simple self-indulgences: he likes to play billiards and stud-poker and to bowl; and in the summer when he gets an infrequent afternoon off he goes up to the Yankee Stadium where he eats peanuts, drinks pop, and yells. Indeed, in many respects he is so much the "average American" that he is a caricature of the very concept. For example, the party's latest catch-word, his own invention, is "Communism is Twentieth Century Americanism", an ideal specimen of the American "sloganeering mind." He believes it, too—passionately, fanatically. It is, you feel, the thing which sustains him, gives meaning and purpose to his life.



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NEAR EASTERN DYNAMO: Mustafa Kemal Ataturk

—“planned economy” in the Near East

TURKEY goes INDUSTRIAL

BY HARRY N. HOWARD

IT HAS been said repeatedly that the new Turkish Republic has been undergoing the processes of nationalism, secularism, and industrialism. Perhaps the basic changes which are being wrought in Turkey today are economic. Essentially, these changes are from an agrarian to an industrial order, in which the machine technique prevails. It is characteristic, it would seem, that the economic changes should be undertaken within the framework and ideology of a five-year plan, after the successful Russian model.

It is our purpose here to describe the conception, aims, and purposes of the Turkish planned economy, to outline its methods and operation, to indicate the natural resources on which the Turkish economy rests, and finally to estimate the successes and shortcomings of the Turkish system.

The Ottoman Empire was a medieval political, social, and economic structure built upon an agrarian basis. Thanks to a free-trade commercial policy, the industrial Western countries almost made an economic colony of the empire. But following the World War, and particularly after the defeat of the Greeks in 1922 and the establishment of the republican regime un-

der Mustafa Kemal Ataturk in 1923, the Turks were determined to achieve economic, along with political, independence. This entailed a fundamental alteration in foreign commercial policy and the encouragement of home industry. The new political structure was declared to be republican, nationalist, populist, statist, secular, and revolutionary. The Treaty of Lausanne, however, forbade any tariff changes until 1929, which marks the end of the first stage in Turkey's economic policy. During this period little industry existed. The census of 1927 listed only 65,245 industrial establishments and only 257,000 employees. Only three factories employed more than one hundred men, while the number employing fifty or more persons was only 321. Industrial establishments used no more than 165,000 horsepower. Raw materials used in all industrial concerns in 1927 were valued at 232,666,000 Turkish pounds, and the total value of industrial production reached £T432,740,000. Agriculture, metal, textiles, and wood-work made up 93% of all industry. From 1923 to 1932 the industries which made the greatest progress were: textiles, cement, animal skins (leather), sugar, confectioneries, and

£T1 = 80 cents approximately

wood construction. Eighty-three percent of Turkey's imports were manufactured products; 95% of her exports were animal and agricultural products.

Adoption of the Plan

On June 8, 1929, the Grand National Assembly passed its first real protective tariff, designed especially to stimulate the textile and sugar industries. This was the beginning of that economic nationalism which was to encourage native industry, achieve a balance in foreign trade, and arrive at a great degree of national economic self-sufficiency. Not until 1933, however, was a system of planned economy worked out. The plan was formally announced on January 9, 1934, and went officially into effect on June 14 the same year. Until 1933 private enterprise was stressed; under the new plan state capitalism was emphasized, as it was felt that state intervention in the nation's economic life was a prerequisite to the industrialization of the country. The fundamental aim of the economic plan was stated as follows:

"The true meaning of the determination to make Turkey an independent nation is to make her an economically independent and integrally organized unit. In view of the insufficient means for realizing this economic reconstruction, the state is forced at present to take effectively and immediately all measures necessitated by this economic development. For this reason the application of such a large program becomes a necessity for the purpose of preserving the national resources and of protecting the national economy against the threatening tendencies of world economics."

The creation of a national industry proposes on the one hand to find within the country a market for raw materials, making Turkish industry

an outlet for Turkish agriculture, and on the other to assure to the Turkish peasant the necessary manufactured products. Turkey would then become a "complete economic unit." Had not the depression of 1929 and the years following intervened, it was felt that the industrial development of Turkey would have followed its so-called natural course. But this was not to be. The aim of state capitalism is to prevent the arresting of industrial development. Another principle is the creation by the state itself of (1) industries whose development is indispensable from the point of view of the national interest and of (2) those which could not be created by private capital. There is no doubt, too, that the Government was definitely concerned, as were the directors of Soviet Russia, with providing an economic basis for a system of national defense.

In May 1935 the People's Party, the only political party in Turkey, laid down what may be considered the broader social and economic aims of planning in Turkey. So far as industry was concerned, the program declared:

"The industries which the state or individuals shall establish for the industrialization of the country shall conform to a general program. The state program [proposes] to render the country an industrial unit. The industrial undertakings shall not be concentrated in certain parts of the country, but shall, instead, be spread all over the country, taking into consideration the economic factors. The state shall organize price control * * * We shall emphasize the rationalization of labor. Trusts or cartels which establish unity of price against consumers shall not be allowed. Those undertaken for the purpose of rationalization are excepted."

Concerning labor it was stated:

"Every economic enterprise shall harmonize with united national labor as well as with the general interest * * * With the Labor Law the mutual relations of workers and employers shall be regulated. Labor conflicts shall be dealt with by means of conciliation, and where this is impossible, through the arbitration of reconciliation agencies [of] the state. Strikes and lockouts shall be prohibited. We are interested in the life and rights of the nationalist Turkish workers within the framework of these principles."

Nor was the Turkish peasant to be neglected. Cheap credits were to be extended to the peasant, who was to become the "owner of sufficient land." Agricultural advancement was "one of our main tasks." Moreover:

"To exploit and render valuable our underground wealth, our water power, and our forests shall be a special part of our work. We consider the electrification of the whole country one of the main items in the progress of the Turkish Fatherland. We shall continue our researches in order to determine the real value and extent of our wealth in this category * * * We shall endeavor to encourage, ameliorate, and increase the breeding and rearing of livestock, and to advance the livestock industry."

The different branches of industry which were to be organized and developed under the plan were: (1) Textile industries: cotton, hemp, wool; (2) Metallurgical industries: iron, coal coke (and derivatives), copper, sulphur; (3) Paper and celluloid industries: paper, celluloid, cardboard, artificial silk; (4) Ceramics: bottles, glass, porcelain; and (5) Chemical industries: vitriol, chlorine, sodium-bicar-

bonate, and superphosphates. The amount to be invested in the course of the operation of the plan was a modest sum which was to be divided as follows:

	Production
Cotton	£T18,538,000
Hemp	1,700,000
Woolen thread . . .	1,650,000
Iron	10,000,000
Semi-coke . . .	1,000,000
Copper	550,000
Sulphur	300,000
Paper	3,790,000
Cellulose . . .	1,925,000
Artificial silk . . .	490,000
Glass and bottles	1,250,000
Porcelain	800,000
Chemicals : (a) Sul- phuric acid . . .	600,000
(b) Super- phosphates . . .	400,000
(c) Sodium- bicarbonate and potas- sium	1,400,000
Allocations to students	500,000
	2,500 "

Financing the Plan

But economic planning requires financing. The financial aspects of the plan were entrusted primarily to the Sümer Bank, founded in Ankara on June 3, 1933, and the Türkiye Is Bankası, founded in 1924. The Sümer Bank, established expressly to finance the planned economy, is by far the more important. According to its articles of incorporation, the Sümer Bank, a state concern, is to constitute the financial basis of the industries, to control, guide, and plan state participation in industry, and to act as a trustee for the state in grants to private enterprises. The Sümer Bank is the only great industrial bank in Turkey and serves, in effect, as a state planning commission. Its original capital was £ T20,000,000, but the Government increased its working capital to £ T62,000,000 and allots £ T6,000,000 annually to it during the period of the plan. Immediately after its foundation, several industries were turned over to it, and it had a capital participation in eleven other principal enter-

prises. The bank also manages stores in all the leading cities in order to sell the products of its industries.

The Sümer Bank began its operations under the plan with the establishment of cotton and paper mills. The first cotton mill was founded at Kayséri in 1934. The second was established in 1934 at Eregli, the third at Nazilli, and a fourth was to complete the series. Together with the cotton mill at Bakirköy, these five factories under the Sümer Bank were expected to produce 80% of the cotton goods consumed in Turkey. The cotton mill at Kayséri is said to be one of the largest and most modern in Europe. It has 33,000 spindles, 1,100 automatic and weaver's spindles, and will produce 30,000,000 meters of cloth annually, and consume 5,600,000 kilograms of Turkish cotton. The mill at Nazilli will have 25,000 spindles and will produce 17,000,000 meters of cloth. Eregli will have a capacity of 7,000,000 meters. The paper and cardboard factory at Izmit is expected to furnish about 50% of the needs of the country. The Sümer Bank began in 1935 to lay the foundations for the development and organization of the iron industry, very significant both for the national economy and the national defense.

The other important bank, noted above, which plays a fundamental part in the financing of the industrialization of the country, is the Türkiye Is Bankası, or Bank of Affairs, founded in 1924 with an initial capital of £T1,000,000 (at present £T5,000,000). It is controlled by prominent members of the People's Party, and, technically speaking, is a private bank. It created the first sugar industry in Turkey in 1928. From its foundation, the bank has been especially interested in the national mining industry, particularly coal. In 1926 it created the Turkish

Coal Mining Company at Zonguldak, with a capital of £T1,000,000. Later the Kömüris Coal Mining Company at Kozlu was established, its capital growing from £T500,000 to 3,000,000 by 1929.

A third bank, the Merkez Bank, or Central Bank of Issue, determines the value of the Turkish pound and the discount rate, regulates the monetary circulation, and has charge of the state's financial operations. It therefore plays a very significant role in Turkish economic life.

Turkey's National Resources

Such is the general outline of the Turkish five-year plan. Such is its aim and direction. But what are the basic natural resources on which the success or failure of the plan must, in the last analysis, depend? The Turkish Republic is a nation of about 15,000,000 people living within an area of 294,492 square miles, of which 285,235 square miles are in Asia. Turkey has long been known to be rich in mineral resources. It is the richest country in the world, perhaps, in chrome and emery. Its deposits of gold and copper have been exploited since the dawn of history. The *vilayet* of Zonguldak, on the Black Sea, is the greatest coal basin in the Near East, with a production which increased from 597,000 tons in 1923 to 2,288,000 tons in 1934. In the same region are the coal deposits of Eregli, Kozlu, and Amasra. Silver-bearing ores, concentrated in the Aegean region, rank next after coal with an annual production of about 8,000 tons. Then come mines of chrome, emery, manganese, lignite, boracite, and lead, the production of which reached 120,000 tons in 1934. The sulphur deposits are also significant. Rich copper mines exist, especially in the eastern *vilayets*; the deposits of Ergani, for instance, will

yield 15-20,000 tons annually. There are deposits of iron, and it is thought that oil may be produced in some quantities.

The program, as we have seen, calls for a fundamental development of these resources. As early as 1926 the iron industry was developed. The present program envisages the creation of a national iron industry for the production of cast-iron, steel blocks, wrought iron, wire, etc. The coke industry is to be considerably developed, the annual consumption of coke reaching 70,000 tons in 1933; the rate of increase has been from 8,000 to 10,000 tons annually. Copper occupies a primary place in the program, though its annual average value for several years has only reached £T2,500,000; however, production is to be raised to about 24,000 tons annually. It is expected that the production of sulphur will reach 1,500,000 tons a year from the present average of only 3,500 tons.

Rich Farmlands

Turkey is also a rich agricultural and forest country. Until recent years, indeed, agriculture and livestock raising were almost the exclusive industries of the country. There are more than 23,157,300 hectares of arable land, 10,000,000 hectares of valuable forest land, and 27,000,000 hectares of pasture. Almost 90% of the arable land is sown in cereals. Wheat and barley make up 85% of the cereals. Tobacco, as is well known, is a very important product. The production of cotton is of growing importance, the major centers being Adana and Izmir. Turkey is also a significant fruit country. Among the important fruits, a large proportion of which are exported, are dried raisins, figs, olives, hazel nuts, pistachio nuts, etc. The plan aims to increase produc-

tion on the farm and to improve the quality.

Progress of the Plan

That significant progress has been made under the five-year plan is beyond question. Two industries, textiles and sugar, have shown distinct advances. The extension by Soviet Russia, in 1934, of an \$8,000,000 loan without interest for twenty years, the first foreign loan taken by Turkey, aided the textile industry in importing large amounts of machinery from that country. There has been a very substantial increase in textile production. Turkey has almost become self-sufficient in sugar production.

Perhaps the best notion of what has been accomplished, however, may be obtained from the official statement of Djelal Bayar, the Minister of Economics, made in December 1935. He declared:

"The economic life of Turkey is dynamic. In every area the concrete manifestations of a constructive, guiding, and national perseverance and will are seen. Our economic program is controlled by such principles as movement, adventure, and change. Our method is founded on scientific and technical bases, on positive experiments. The principle of increasing the productive ability of our country each succeeding year must be supplemented by that of producing the best at the lowest cost."

Production of grapes, he announced, was 80,000 tons, 60% above that of 1934; that of figs 32,000 tons, 15% above 1934; that of peanuts, 76,000 tons, a 50% increase. Tobacco production, which had fallen to 18,000,000 kilograms in 1932, reached 38,000,000 in 1935.

Factories which had been set up under the industrial plan and were ac-

tually operating included the following: (1) The Camis glass factory at Pasabahçe (Istanbul), which is being enlarged; (2) the semi-coke or anthracite furnaces at Zonguldak, also being enlarged; (3) the cotton mill at Kayseri, opened on September 15, 1935; (4) the cotton mill at Bakirköy, to which 10,000 spindles are to be added; (5) the perfumerie at Isparta; (6) the sulphur factory at Ketezburlu; and (7) the sponge factory.

The following enterprises are under construction: (1) The paper mill at Izmit, which is to be enlarged; (2) the weaving mill at Ereğli; (3) the cotton mill at Nazilli; (4) the woolen mill at Bursa; and (5) the artificial silk factory at Gemlik.

The following are to be constructed: (1) The cotton mill at Malatya; (2) the iron foundry; (3) the chemical industry; (4) the cement factory; (5) the hemp factory; (6) celluloid factory; and (7) the porcelain factory.

Some additional enlargements have been planned. The sugar refinery at Usak is to be remodeled to enable it to work no less than 850 tons of beets per day. Moreover, a new factory near Usak will enable it to obtain sugar from molasses. It was estimated in 1935 that more than 30% of the plan had been achieved.

The capital of these industries was estimated at £T36,000,000 and the output at £T37,000,000. In 1924, to indicate the financial development, it was estimated that the capital in the national banks was only £T19,217,484; today it is about £T160,000,000. The gradual increase in foreign trade, despite the drastic nature of Turkey's economic nationalism, is another indication of advance. Still another feature has been the construc-

tion of railroads and highways as a part of the industrialization of the country. The total railway mileage constructed by the state by the end of 1935 was 6,076 kilometers. Lines to be constructed between 1936 and 1940 will make a grand total of 7,092 kilometers. More than £T200,000,000 have been spent on railway construction. With a single small exception all railways belong to the state. Since 1928 £T50,000,000 have been spent on highways, and today Turkey is said to have some 30,000 kilometers of good roads.

It would appear from this brief analysis that Turkey has been laying the foundations of a new industrial society. No doubt the country will continue to be primarily an agricultural region, but the foundations laid and the progress thus far made would indicate a rather healthy balance in the future of industry and agriculture. Essentially it is the development of a planned economy under state capitalism rather than socialism. It will be interesting to observe the development of a state-controlled industry in relation to what appears to be an individualistic peasantry. Indeed the question might be raised as to whether a real planned economy can be operated under a capitalistic system of production. While the scope of the plan for industrialization is necessarily limited, its results are almost bound to be far-reaching, not only in Turkey, but throughout the Near East. Turkey is being economically transformed into a modern state—her basic structures are being fundamentally changed. Hand-in-hand goes another change of a gradual but revolutionary nature—the intellectual and spiritual transformation. But this is only beginning.

A digest of comment quoted or translated from the original—

THEY SAY:

sometimes important . . . often amusing . . . always authentic

A UNITED FRONT AGAINST the surrender of former German colonies to the Hitler regime will be presented by Britain and France when Germany makes a move to demand their return. It is the consensus of French public opinion that France can no more think of giving up her mandated territories than can Great Britain. Statistics were quoted and shown that since the Cameroons were placed under French mandate, the territory had enjoyed prosperity from which the natives had been the first to benefit. In the last fifteen years the number of natives had increased by 300,000. The German racial theories as propounded by the present German regime have definitely shut out all chances of Germany ever getting back any of her former colonies. What is more ridiculous than Herr Hitler's childish pronouncement of the superiority of the Nordic race which means that the yellow or non-white race possesses the inferiority complex? The natives comprising the inhabitants of former German colonies are all non-whites and what will happen to them when the Germans with their assumed racial superiority become the masters again of those lost colonies? The peoples of China and Japan have definitely spoken out their minds against the German racial theories if the Germans ever attempt to apply them in their respective countries. Britain is equally determined not to consider the handing over of former German colonies to Germany. German peace proposals are made to enable Germany to perfect her war machine for another world war. No reliance can be placed on German promises, since she has already shown scant respect for treaties; any new one is liable to be broken as have been the others, so it is useless to enter into any

new treaties with Germany which has no intention to keep them.

—*China Outlook*, June 27, 1936.

In 1884, Portugal had 45.5 inhabitants per square kilometer; in 1890, 55; in 1930, over 74 per square kilometer. It will be impossible to maintain such a population on Portuguese soil—as in Europe, the standard of living would gradually decrease—unless we are able to open up new fields for activity.

Portugal has about 7,000,000 inhabitants, which population is on the increase. Even if Brazil continues to give preference to Portuguese immigration, in thirty years' time we shall have to support and feed about 10,000,000 Portuguese citizens.

Consequently, Portugal needs every inch of her colonial territory, particularly because the present increase in agricultural production forbids expansion at home; every square foot of land is under cultivation, while industries have been developed to the utmost under present conditions.

—From a speech by Dr. Oliveira Salazar, Premier of Portugal, before the *Portuguese Empire Conference* at Lisbon, August 10, 1936.

It is to be hoped that neither the people of England or the Union will have anything to do with another imperialist scramble in Africa. Only a powerful League can prevent any further aggressive designs by Mussolini. In any case it would be nothing short of disaster for Britain to try to pit Germany against Italy on the African Continent, for there is nothing to prevent these two hungry fascist Powers uniting against Britain herself.

There has been much loose talk about the

Union becoming the dominant Power on the continent of Africa—in short, a South African imperialism. It may suit Mr. Pirow who appears to be trying to become the South African Napoleon. But we doubt whether history will afford him the opportunity of usurping this title from Chaka. The problem today is not to conquer new lands but how to restore them without upsetting the balance of power.

We are against the return of colonies to the present-day Germany as they would only be used as strategic military bases and not for economic relief. The whole of the economy of Germany has been sacrificed for the sake of rearmament and war; nothing must be done to promote the success of this project. In this respect we can do no better than quote the resolution on mandates moved by General Smuts at the Peace Conference at Paris, and carried unanimously:—

"Having regard to the record of the German Administration in colonies formerly part of the German Empire, and to the menace which the possession by Germany of submarine bases in many parts of the world would necessarily constitute to the freedom and security of all nations, the allied and associated Powers are agreed that in no circumstances should any of the German colonies be restored to Germany."

—*South African Opinion*, July 24, 1936.



Spain in Upheaval

The murder of priests and nuns and the destruction of churches and convents, preventing the holding of religious services, could call for nothing but a protest from the Holy See.

While we admit that the Madrid Government is facing difficulties in suppressing the excesses of those whom it has armed, we cannot forget that in the past the repeated appeals made by the Holy See have not prompted the Government to intervene and punish acts of violence committed against the Church. Until now that Government has given no satisfaction to the Holy See.

—*Osservatore Romano*, Vatican City, August 14, 1936.

The conduct of the [Spanish] women is for many a marvelous surprise. They have fought on the barricades and rushed everywhere that fighters were needed. They were at Saragossa, Cordoba, Toledo, Segovia, etc., eyes aflame with enthusiasm.

When a people who fight for their liberty as the Spaniards are fighting see in their ranks women resolved to conquer freedom for all time, exposing themselves to the greatest

dangers, no enemy can subjugate it. We have triumphed at Madrid and in Barcelona and will soon triumph in the whole of Spain.

—*Solidaridad Obrera*, Barcelona.

If the French Government will once and for all renounce giving supplies to Madrid which is now apparently a permanent center of rioting, it will have much greater force to impose the respect of treaties and maintain a Mediterranean equilibrium, safeguard the Shereefian empire and maintain the communications on which the mobilization of the French Army relies. If we deviate from prudence and participate in the crusades of the Popular Front, we shall give our adversaries the opportunity to proclaim the revolutionary peril to counter-battle our Mediterranean and African possessions.

—*Echo de Paris*, Paris, August 8, 1936.

I should like to add a few words concerning the role of the German Nazis in Spain. The German Government asserts that four Germans had been court-martialed and ordered shot. During the first stages of the struggle we searched the houses of several notorious Nazis in Barcelona and found proof of their connection with all the reactionary organizations in Spain and in Spanish Morocco.*** Still, we let them go free, because we found no ammunition on their premises. Among the apprehended ones was Herr Hellerman, one of the leaders of the German Nazis in Barcelona.*** Him, too, we let go free, in order to avoid complications, and he proceeded hale and hearty to Berlin. The Government police likewise arrested the Nazi Chief Otto Philip in the act of presiding in Barcelona over a secret Nazi meeting*** whose avowed object was to furnish the rebels with a set of anti-Government plans.*** However, he too, went free.

Since we released proven ringleaders of the rebel conspirators, despite the evidence we had against them, would we, willingly permit the shooting of four unknown Germans? The truth is that the aforesaid four Germans voluntarily had joined the Government militia against the rebels, and they fell in the struggle.*** Is Herr Hitler, perchance, chagrined also over the fact that the Nazi leader, Baron Kurt von Behr, Gestapo agent, is now engaged on the Island of Majorca in the business of organizing and directing the rebellion against the Government? Will we somehow be held accountable for his death also, should he fall?

—Statement by Hilario Arlandis, head of the Catalonian United Front Party, recorded in the *Pariser Tageszeitung*, August 12, 1936.



GHOST OF LENIN—This is a strange way to treat my friends.

STALIN—Yes? But you see, Vladimir Ilyitch, you're only a picture nowadays.

—*Glasgow Bulletin*

"Nearer to War"

Fascism is costly. In order to divert the attention of the people from the growing poverty, it is forced to follow an aggressive foreign policy, a policy of rapidly increasing armaments.

Consequently, it forces the European democracies to arm as rapidly as they can. Democracies desire peace, but they are forced to follow the rhythm and the pace set by the fascist states, to avoid finding themselves, as in the case of Ethiopia, powerless against a sudden armed attack of fascism.

We, of the Balkans, are nearer to war than any other nation.*** During the Ethiopian adventure fascist intrigues abroad had somewhat decreased. Now in all Danubian and Balkan states they have restarted***

In the world today there are only two fronts: that of democracy and that of fascism. Democracy is peace; fascism is war.*** He who desires peace should work to foster democracy in his own country. That applies with special force to the peoples of the Balkans and of the Danube. No citizen is free in our countries without democracy, which for small nations is closely identified with national independence. In the struggle of the present hour all ought

to join—workers, peasants, lower and higher middle-class, the leaders of thought.

It is only by a bloc of these forces that the independence and the material progress of Yugoslavia, of Bulgaria, and of Rumania can be assured.

—Dr. Bogdan Krekitch of Yugoslavia in an interview recorded in the *New Times and Ethiopia News*, London, August 15, 1936.

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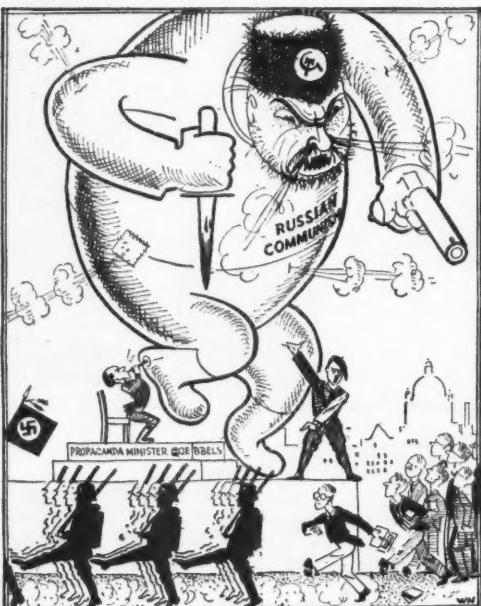
Soviet Strategy

The guiding idea of Soviet war strategy is that the outcome of a future war must not be determined by victories or defeats on the first line of hostilities; that the entire district from this first line to the center of a country should be regarded as a battlefield in the case of a future war and that therefore, the quickest way to win a war is to cause commotion in the center of the enemy land and lead this commotion to class strife so that the enemy country may collapse from within.

It is in this perspective that the Red Army leaders found it necessary to possess a big squadron of large aeroplanes with a long cruising radius. Should an emergency occur, these aeroplanes are to be used to bombard the center of the enemy country***

—Colonel Hikosaburo Hata, Tokyo War Office.

ROLL UP, BOYS! SEE WHAT'S COMING!



—Glasgow Bulletin

Notes from Germany

Even the statesmen who recognize the necessity to satisfy the "have-nots", or those without raw materials, lack power to translate their convictions into deeds.

The world drifts ever further from the spirit of understanding and reason, instead of trying to retrace its steps.

—*Uebersee Post* (Universal Economic Review), Leipzig, July 1936.

Ten years' development have given new uses for the small motor in doing work formerly performed by manual labor. Two of these are hoeing and hedge-clipping. A 1 h.p. motor can now be used on wheels or carried on one's back like a haversack. In a truck garden the most inaccessible corners can thus be reached.

—*Das Echo*, Berlin, June 1936.

From time immemorial Hamburg's task has been that of a mediator between German economy and the rest of the world. Today the population of the Reich's second largest city lives chiefly off German foreign trade. Hamburg's seaward trade (in 1935) totaled 20,160,000 tons. This was only 74.7% of the total reached in 1929 (the boom year of world trade).

—*Das Echo*, Berlin, June 1936.

They Like Roosevelt

It was courageous of Mr. Roosevelt to make his Chautauqua speech at the opening of his campaign for re-election. His protest against those nations which tear up treaties and enthroned cruel fanaticism is likely to offend hundreds of thousands of voters of Italian and German origin. Tireless propaganda, trading on a sentimental feeling for the "old country", has infected many members of these national groups with Fascist and Nazi sympathies*** But every man and woman on both sides of the Atlantic who values honesty in politics, every genuine democrat, every lover of the old freedoms and tolerances, will applaud Mr. Roosevelt***

The Chautauqua speech is best read in the light of Mr. Roosevelt's foreign policy. Its two pillars have been the idea of the good neighbor and a carefully planned neutrality. Mr. Roosevelt has always been at pains to represent neutrality as a more positive force than old-fashioned isolation. It is a system which is capable of discriminating between aggressor and victim. There is little doubt that if Britain and France had taken a stronger line with Italy from the start of the Abyssinian adventure we should have seen what a positive force for good the Roosevelt neutrality system could become.

That chance was missed, but Mr. Roosevelt's words suggest that fresh opportunities of common service for peace will present themselves*** As the shadows of the Dark Ages gather around the dictatorships, the surviving democracies will inevitably be drawn closer together. Possibly, too, events will force them to act naturally and instinctively in concert without the need for any formal alliance. There is a union of hearts stronger than any treaty.

—Editorial in *The Star*, London, August 15, 1936.

The American masses live in the illusion that America and Europe are two entirely different worlds, the crisis in one not having any serious repercussions in the other, and that the Atlantic is a gulf behind which Americans are sheltered. This is a form of "sacred egotism" that is not without danger for a big people who let themselves confidently drift in it.

President Roosevelt guards himself against this error but is obliged to take note of the opinion of most Americans. "We are not isolationists," he said, "but only wish to avert being drawn into war."

Neutrality as conceived by the President offers resources that are not negligible.

Between profits and peace, said the President,

the nation will reply, "Let us have peace." This is a language of reason, and let us hope it will be understood by the American people.

—From a leading editorial in *Le Temps*, Paris, August 18, 1936, commenting on President Roosevelt's Chautauqua speech.



Dark Horizon

Just as the great powers, having liquidated the Italo-Ethiopian crisis by lifting sanctions against Italy, were preparing to open negotiations for a Locarno Conference to be subsequently enlarged into a general conference of European states, the political horizon was darkened once more by the conclusion of the Austro-German accord, which spread alarm in Eastern Europe, and by the outbreak of civil war in Spain which threatened to create grave international complications.

These events seemed to emphasize the rapidly growing tendency of most European countries to group themselves under the banners of either fascism or communism—in France under a semi-socialistic government vigorously opposed to fascism, while Britain attempts to hold the balance between the two which it considers inimical to democracy.

—*Geneva*, monthly review of world affairs, Geneva, Switzerland, August, 1936.



Spanish Civilization

Even after a whole century of independence, foreign influences are still powerful in South America—the Spanish are still influencing her civilization, the French her culture, and Anglo-Saxons her commerce and everyday life. We never emphasize sufficiently the strength of Spanish civilization. The massive might of the United States has not yet stamped it out of Florida, Texas, and California. Today Mexico is strictly Spanish in atmosphere, as Havana.*** It is the same in South America; in fact all the capital that Americans invest will not cause much change. This racial formation is proof against Anglo-Saxon influence.*** The Spanish tongue, the Catholic influence, and above all, the family influences of the Iberian Peninsula are ramparts that the American invasion cannot scale. The Anglo-Saxons, English or Americans, may make their presence felt, even play the role of conquerors, but their civilization, curiously enough, sheds a light inferior to their power.

—André Siegfried, noted French writer, in his book, *Impressions of South America*.

China Not So Weak

The Nanking Government is reported to be making preparations for war with Japan. The rumor is unfortunate, remembering the fact that the new Minister to China, Mr. Shigeru Kawagoe, now at his post, is going to open negotiations with the Nanking Government for an adjustment of Sino-Japanese relations. Anti-Japanese agitation is no new thing in China. But the present anti-Japanese movement in China is not like that which has marked China's relations with this country in the past. It is rapidly assuming the proportions of a popular movement.

The Japanese at large are apt to think that China is no match for this country militarily. The view is mistaken. China is not what it used to be in former days. It has an army which would give a good account of itself in a war. As for the Chinese air force, it is being expanded rapidly and by the end of this year the Nanking Government will have 350 scouting planes, 300 pursuit planes, more than 200 light bombing planes and about 100 heavy bombing planes. The Kwangtung and Kwangsi factions between them have more than 300 fighting planes. We mention this only to show that China is not so weak and ill equipped as many of us would imagine.

In this connection, an important point to remember is that the Powers are aiding China in its program of armed resistance against this country. The latest reports tell of the signing of an agreement between China and Germany under which Germany is to supply war mate-



"I'm spreading civilization in Africa."
"Dat's all right—I'm spreading it in Europe."

Daily Herald, London

rials to China in exchange for raw materials. If the report is accurate, we cannot rule out the possibility of Japan and Germany, which today are in friendly relations, finding themselves in opposing camps.

—*Trans-Pacific*, July 16, 1936.



Cardenas Speaks

The aspiration of the Revolution is that every man in every village shall find work, so that human life may be pleasanter, less miserable, and nobler in this sense: that it shall allow the individual to cultivate his physical and intellectual faculties, and therefore achieve full realization of his own personality.

I should deem it very hard indeed to carry into effect the principles of the Six-Year Plan, if I did not rely on the cooperation of organized rural and industrial workers, disciplined and united.

Capitalism never fails to take advantage of a single conflict between labor unions.

Divisions between workers are criminal and sterile in results. Workers and peasants must remove all obstacles in the way of union between them.

I shall always be at the service of workers and peasants.

The fundamental problem calling for immediate solution is that of the Land***The Six-Year Plan deals in the first place with the agrarian problem***which is acute in all the States of the Republic.

Every measure of a political nature must



Spanish front fighter (in troubled waters): "Help, Blum! Give me a hand—remember it is me today, you tomorrow."

—*Il 420, Florence*

rest on an economic foundation and have an economic sense. Formation of our own economy will free us from a certain kind of capitalism, the incentive behind which is none other than to obtain raw materials by means of cheap labor***

Higher education must abandon its tendencies in favor of the liberal professions in order to become eminently technical. In every industrial center and by the side of every factory, there must be a technical school for wage-earners.

For many years our governing classes looked on the Indian as a being beyond the pale of humanity. Upon the Revolution rests the sacred responsibility of not forgetting the blood shed by the Indians***for the triumph of its social cause.

Women must organize. Home for them must cease to be a prison. They must become a factor in production and the increase in wealth. They must improve standards of domestic economics and, in fine, be man's companion in every aspect of his existence.

—General Lázaro Cárdenas, President of Mexico, in *Policies of the Present Administration of Mexico*, published in Mexico City, 1936.



Danubian Question

The Austro-German agreement and German-Italian rapprochement have created a new situation in Central Europe which will once again bring up all questions relating to the Danubian Basin. No major power can look upon the basin as a colonizing domain***Advantage must now be taken of the chance offered to organize an economic rapprochement and create a large market for all. Once this is done, the heterogeneous peoples of the Danube Basin will soon find themselves.

—Professor Elemer Hantos of Budapest, former Hungarian Secretary of State, in *Journal des Nations*, Paris, July 30, 1936.



France Should Reflect

The frontier of France is now in the Guadarrama Mountains, close to Madrid. If fascism is victorious it will hold the Pyrenees Mountains. Then the worst eventualities will have to be envisaged. Think of the Mediterranean; of your [French] African communications; of a strong Balearic Islands naval base, in whose hands? France's great public should reflect, weigh, and conclude, without distinction of party.

—President Manuel Azaña of Spain, in an interview with the French Radical-Socialist newspaper, *La Dépêche de Toulouse*, August 14, 1936.

Manhattan Anarchy

Spanish anarchists and syndicalists are now publishing in New York two weekly newspapers which have gained considerable influence in Spain, especially in Catalonia.

In the past, Communist raids on the anarchist papers' plants in Barcelona, resulting in destruction of printing equipment, convinced the editors that it would be far safer to publish their journals in New York. Now the papers are sent each week by fast steamship to Barcelona, where they circulate widely.

Financially the anarchist papers have not scored so well. The difficulty is that the Spanish anarchists do not like to pay for the papers. They think they are entitled to them as members of the radical organization.

The Spanish anarchists and syndicalists, closely akin, publish here the newspapers *Solidaridad Obrera* and *Cultura Proletaria*.

About two months ago, before the murder in Madrid of the Monarchist leader, José Calvo Sotelo, unleashed the civil war, a warning editorial in one of the New York organs above named had violent reverberations in extremist circles in Spain. It was a warning to the Communists.

"For the dictatorship of the proletariat to be established in Spain," it said, "and for it to become an immediate reality, they (the Reds) would have to fight another enemy as powerful as the bourgeoisie itself. Never will the National Confederation of Workers (Syndicalist) or the Iberian Anarchist Federation submit voluntarily to the establishment of the dictatorship of the proletariat in Spain."

"If, after the triumph of the proletarian insurrection, the Marxists should be crazy enough to establish by force a proletarian dictatorship, they would have to stifle a Libertarian (Anarchist) movement, which in numbers, dynamism and revolutionary decision is far ahead of all the Marxist organizations."

—New York Times, Aug. 21, 1936.



German Economy

The economic policy of the National Socialist Government is based on the principle that it is not the state's function to compete commercially with free business. The state is merely concerned with leadership.

German economy is based on the former Economic [trade] Associations. It is not a continuation of these bodies***which became useless when the National Socialist Party came into power and were dissolved at the end of 1934. Present German economic associations are forbidden to formulate social policies.

They cannot establish special market or price policies. These are governed by the cartels.

Germany's economic policies—trade, money, banks, credit, foreign exchange, laws and taxes, come under the province of special groups of German industrial organizations.

—From a Report by the German Institute for Business Research, Berlin, March 11, 1936.



Pressure on England

Let it not be imagined that France and England will suddenly show great confidence in Germany. There is nothing to this, as the British plans for rearmament plainly show. But whatever the conditions, Germany is now convinced that it is only necessary to bring pressure on Great Britain to get all it wants.

We who are partisans of peace in the West as in the East, believe that any English statesman will be obliged to note that peace cannot be guaranteed in the West unless it is guaranteed in the East at the same time.

—Karl Radek in *Izvestia*, Moscow.

We ask our English friends if they want the Third Reich to dominate Central Europe, as there is no doubt Germany will realize its plan for a *Mitteleuropa* if she can subjugate Czechoslovakia. We ask our English friends if they want Germany, after it assures itself of the raw materials and cereals of Central and South-eastern Europe, to throw its enormous power



Blum: "If you don't start, I will stop."

—De Groene Amsterdammer

against the West.***We want friendly relations with Germany, but not by exposing Czechoslovakia to the danger of becoming a vassal to the Reich.

—*Lidove Noviny*, Prague, July 29, 1936.



Hungarian Aims

The new objectives of Hungarian foreign policy are:

1. Calling of a new peace conference that will declare the decrepitude of the Treaty of Trianon.
2. Equality of rights for Hungary in all military matters.
3. Organization of plebiscites in all the territories formerly belonging to Hungary so as the people can, by a simple majority, vote on their return to Hungarian sovereignty.

—Josef Szirtsey, editor, in *Nemzeti Folyo* (Nationalist organ), Budapest.



Streicher Again

Even a cow can be put into a terrible rage by the sight of a Jew, as proved by the following amusing incident which occurred in Feldkahl, Mainfranken. It appears that a Jew had approached a local peasant to persuade him to sell some cows. One of them, usually a quiet and peaceable beast, instinctively seemed to see in the Talmud-Jew an unsavory object. No sooner was it unyoked than it turned around and rushed upon the Jew, giving him a breathless chase into a neighboring farm and up some steps.***The cow that day earned a double portion of clover. Through its instinct it has shamed many a German peasant who has not yet realized that the Jew is an alien.

—*Der Stuermer* (anti-Semitic newspaper of Julius Streicher) No. 31, Nuremberg, Germany.



Rickshawmen

Development of modern facilities for transport and the high cost of living are menacing the life of the rickshaw pullers in Nanking, according to an investigation recently made by the Nanking Association for the Promotion of the New Life Movement.***The Association investigated the circumstances of 1,350 rickshaw pullers.***The monthly earnings of a rickshaw puller are from \$10 to \$14. In face of the present high standard of living in the capital this is barely sufficient to support himself, let alone his family. The average monthly expenses of the family of a rickshaw puller are between

\$15 and \$30. As a result, most rickshaw pullers who have families are in debt.***It appears that most rickshawmen work about 10 hours a day. In some extreme cases it is as many as 20 hours.

Of the 1,350 rickshawmen more than 68 percent are illiterate.

A rickshawman's career is short. Of the total of 1,350 rickshawmen investigated 239 have been pulling rickshaws for more than a year, 196 for more than two years, and 128 for more than three years.

There are at present 10,492 rickshaws in Nanking, of which 9,394 are rickshaws for hire and 1,098 are private rickshaws. Very few rickshawmen can afford to own rickshaws themselves, the total number being only 2,195. Most of them hire their rickshaws from rickshaw hongs. There are about 800 such hongs in Nanking. The largest hongs own about 300 rickshaws, but the smallest only three or four rickshaws.

The rickshawmen may hire the vehicles from the hongs by day or by month, the daily rent being from 40 cents to 50 cents and the monthly rent \$9.

—*China Weekly Chronicle*, July 29, 1936.



Italy Buys

Italy will henceforth buy where she can sell ***she will import only those things which are essential for her needs and which she cannot produce. Her commercial policies will keep steadily in view the need of reducing the [Italy's] adverse trade balance to the vanishing point.

As former Finance Minister de Stefani expresses it, Italy is determined to safeguard her gold reserves and national independence. In this ***Italian business***fully concurs.

—*Revista Commerciale Italo-American*, New York, August 1, 1936.

Correction

In *They Say* for September, two items were inadvertently run together on page 103, and both credited to Niceto Alcala Zamora, ex-President of Spain. Only the last paragraph of the first item on this page was taken from the Spanish statesman's forthcoming book, the comment preceding it having come from another source.

Docile Greeks?

From information gathered in Belgrade where Greek events are closely followed, it is learned that General Metaxas is really planning a new Constitution embodying an authoritarian régime based along Fascist and Nazi lines, creating a unified nationalist party as the right hand of the state and the systematic organization of youth. It remains to be seen whether the Hellenic people who have known so many upsets in the past fifteen years will show the needed docility for this experience.***

General Metaxas says Greek foreign policy will***remain faithful to the Balkan Entente and Greco-Turkish friendship, but only the proof of events will show that this is certain.

—*Le Temps*, Paris, leading editorial, August 10, 1936.

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Free Puerto Rico

The political situation in Puerto Rico has become, in the last year, increasingly grave. The party fighting for the independence of the Island—it appears the most powerful and is considered the best organized—persists in provoking constant agitation in spite of the rigor with which the United States Government has repressed this movement.***

It is certain, in any case, that the United

States can cope with any attempts at emancipation. But it is very difficult to relegate to the realm of ideas the rebellious spirit stirring the Island which causes serious prejudices for those involved and injures good relations with the Government at Washington.***

Absolute independence and creation of a new state appear as the only solution for peace in the Island.

—Editorial in *La Prensa*, Buenos Aires, August 4, 1936.

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Magic

A new cult, known as Huang Sha Hui, or the Yellow Sand Society, has made its appearance at Miyun, a district in the Demilitarized Zone, according to Chinese press reports.

The leader of the cult is an old Taoist priest who often appears to his followers, mostly farmers, in an "eight-diagram" robe, wearing a sword. He teaches his adherents "magic" and incantations, claiming that he is immune to attack by gunfire.

Members of the cult clashed with a group of so-called "international police" led by one Ma on July 6 and succeeded in defeating them. On hearing of the incident the Japanese at Kupeikow sent a detachment of troops to Miyun ***to suppress the cult.

—*China Weekly Chronicle*, July 2, 1936.



SOME DAY: Mussolini ridicules the idea of perpetual peace as absurd.

—*Birmingham Gazette*

CHRONOLOGY

Highlights of Current History, Aug. 11--September 10

DOMESTIC

- AUGUST 11—Pacific Coast Employers' Association requests union officials negotiate new terms before expiration of long-shoremen contracts September 30.
- President Roosevelt redrafts PWA rules to permit municipalities wider scope in obtaining skilled craftsmen.
- Amalgamated Clothing Workers of America appropriate \$100,000 to organization fund of Committee for Industrial Organization.
- District of Columbia grand jury returns indictment of former Lieut. Commander John Semer Farnsworth; Japanese officers Yosiyuki Itimiya and Okira Yamaki named as co-conspirators.
- Tennessee Electric Company draws restraining order from Chancellor T. Lou Foust of Chattanooga prohibiting sale of \$8,000,000 public power bonds and any move to begin municipal power distribution plant by city of Chattanooga.
- AUGUST 12—The La Follette Senate Committee investigating labor spying, strike-breaking agencies and other interferences with rights of labor, begins Nation-wide drive; subpoenas duces tecum issued in New York, Philadelphia, Detroit, Atlanta, and New Orleans.
- AAA considers unlimited planting of corn and wheat for 1937 to offset current drought damage.
- National Union for Social Justice under Father Coughlin convenes at Cleveland.
- AUGUST 13—Roosevelt Administration announces no new taxes for 1937; reports increasing yields from existing levies.
- Germany lifts Government subsidies from exports to United States.
- President Green of A. F. of L. states that unions affiliated with Committee for Industrial Organization were suspended for breach of union charters and for forming a dual labor organization.
- AUGUST 14—AAA prepares plan for farm relief designed to stabilize farmers' incomes and prevent violent fluctuations in consumer food prices; plan will be submitted to next Congress.
- United States Treasury Department lifts all countervailing duties on imports from Germany.
- WPA allots \$4,288,377 for flood control in Pennsylvania, Maine, Massachusetts, and West Virginia.
- Social Security Board completes one-year tenure; reports 1,000,000 individuals receiving grants in various forms.
- Ten thousand persons view public hanging of Negro at Owensboro, Kentucky; storm scaffold for souvenirs, ripping off death mask.
- AUGUST 15—WPA announces it will complete 506 airport projects at cost of \$71,540,999.
- Delegates to Union for Social Justice convention endorse William Lemke for President of U. S. by vote of 8,153 to 1; lone dissenter ejected.
- AUGUST 16—United States Navy opens bids for six submarines and twelve destroyers.
- A. F. of L. reports 1,320,000 new homes yearly for ten years as outstanding need of country.
- AUGUST 17—Relief officials predict 2,000,000 farmers and families in drought area will be on relief with closing of WPA projects in winter.
- PWA urges long-term housing program involving rentals not to exceed \$6 a room per month.
- AUGUST 18—AAA expands livestock purchase program to include market stabilization operations in sheep and lambs, because of drought.
- PWA projects halted to await clarification of new policy by President Roosevelt.
- AUGUST 19—Seattle *Post-Intelligencer* refuses to treat with Newspaper Guild on discharge of two Guild members; suspends publication charging outside strike interference.
- National Industrial Conference Board reports a \$4,000,000,000 national income gain in 1935 over 1934.
- AUGUST 20—Federal Relief costs increased \$100,000,000 by drought damage.
- AUGUST 21—American communists riot on the Hapag Lloyd liner *Bremen*; protest against Nazi interference in Spanish civil war.
- American Federation of Teachers' convention at Philadelphia votes boycott of all agencies of communication under Hearst control.
- Twenty-two Black Legion terrorists indicted at Detroit for plotting armed uprising to take over Federal Government.

- AUGUST 22—Governor Landon, Republican Presidential candidate, speaking in Pennsylvania pleads for return to American way of life.
- Governor Floyd B. Olson of Minnesota, dies.
- AUGUST 23—Cunard-White Star liner *Queen Mary* sets new Atlantic speed mark for western crossing.
- War Department declares its opposition to nationalization of munitions factories on grounds that such a plan would fail in time of war.
- Secretary Wallace plans seed-corn loans in drought regions.
- Hjalmar Petersen succeeds Floyd B. Olson as Governor of Minnesota.
- American Newspaper Guild rests case upon asserted legal right to organize under Wagner-Connery Labor Relations Act; publication of Seattle *Post Intelligencer*, Hearst newspaper, is still suspended.
- Five more Black Legion terrorists indicted at Detroit for attempted murder.
- AUGUST 25—President Roosevelt names William C. Bullitt, Ambassador to Russia, to be Ambassador to France, succeeding Jesse Isidor Straus, who resigned because of ill health.
- Navy Department awards contracts for the construction of ten 1,500-ton destroyers and five 1,300-ton submarines. War Department allots \$11,981,964 for flood-control projects in the North Atlantic, South Atlantic and Ohio River divisions under the Emergency Appropriation Act passed this year.
- Management of the Seattle *Post-Intelligencer* calls on public to suppress American Newspaper Guild strike. President Roosevelt reported considering a world peace conference of rulers if reelected.
- AUGUST 26—Federal survey shows ample food supply for nation despite drought losses.
- Governor Landon assails President Roosevelt for extravagance.
- AUGUST 27—General Motors begins decentralization program; to build assembly factory at Linden, New Jersey.
- George H. Dern, Secretary of War, dies. Morris L. Cooke, head of drought committee, warns President Roosevelt that great plains area is turning into desert.
- American Bar Association convention at Boston refuses to endorse Federal Child Labor amendment.
- AUGUST 28—Department of Agriculture reports farmers' cash incomes in July was \$735,000,000—the largest total for any month since 1929.
- American Bar Association meeting blocks attempt to introduce reports denouncing New Deal.
- AUGUST 30—Charles P. Howard, president of International Typographical Union, proposes rank-and-file referendum in A. F. of L. to settle C.I.O. quarrel.
- AUGUST 31—Senate inquiry begun into the activities of Carnegie-Illinois and Jones-Laughlin Steel Companies of Pennsylvania, charged with coercion of employees.
- Rust Cotton Picker demonstrates high efficiency in public test at Stoneville, Miss.
- Management of Seattle *Post-Intelligencer* challenges constitutionality of the Wagner Labor Relations Act and jurisdiction of Regional Labor Relations Board.
- SEPTEMBER 1—David Dubinsky, president of International Ladies' Garment Workers Union, an affiliate of the Committee for Industrial Organization, resigns as vice-president of A. F. of L. and as member of executive council.
- President Roosevelt predicts gross Federal deficit for fiscal year 1936-37 of \$2,096,-996,300.
- Gas and coke workers surrender federal charters to A. F. of L.; join United Mine Workers of America under John L. Lewis.
- SEPTEMBER 2—Department of State begins investigation of four steamship companies charged with violation of neutrality in Spanish civil war.
- United States notifies Great Britain it will keep in service 40,000 tons of over-age destroyers in excess of the 1930 London Naval Treaty total.
- SEPTEMBER 3—Secretary of Treasury Morgenthau announces Government will maintain \$1,000,000,000 balance against emergencies.
- President Roosevelt and Governor Landon meet at Des Moines; engage in non-political talks on drought relief.
- SEPTEMBER 4—President Roosevelt extends merit system in Government service to include the Home Owners Loan Corporation and subsidiaries.
- President Roosevelt announces that the credit of the nation is on "a sounder basis than ever before in its history."
- SEPTEMBER 5—Ten international unions composing one third of membership of the A. F. of L. are deprived of the privileges and benefits of federation affiliation because of refusal to withdraw from the Committee for Industrial Organization.
- The Alabama Power Company and the Texas Utilities Company challenge, before the United States Supreme Court, the constitutionality of Public Works Administration loans for the construction of municipally-owned systems.
- Mrs. Beryl Markham, English aviatrix, in attempted flight from England to New York, is forced down in Nova Scotia.
- SEPTEMBER 6—New York stores combine to resist rise in milk price.

Secretary of Labor Perkins reports 1,000,000 men have been returned to work during past year.

SEPTEMBER 7—Secretary of State Hull opens Third World Power Conference with warning that war is imminent.

SEPTEMBER 8—President Roosevelt announces contemplated reform of Government; many major departments to be abolished or consolidated. Relief agencies expended total of \$276,016,564 during month of July. Bureau of Agricultural Economics reports farm taxes reduced by 36 percent since 1929.

SEPTEMBER 9—Secretary of Navy Claude A. Swanson announces a naval building

program to include two new 35,000-ton battleships.

SEPTEMBER 10—State of New Jersey contemplates suit in U. S. Supreme Court to enjoin collection of payroll taxes under Federal Social Security Act. Harry L. Hopkins, Works Progress Administrator, reports that 500,000 farm families in drought area will require relief until Spring. President Roosevelt, speaking at Charlotte, N. C., asserts that depression is conquered. National Labor Relations Board overrules Hearst's attempt to show *Post-Intelligencer* strike as result of paper's attacks on communism and radicalism.

INTERNATIONAL

AUGUST 11—Herr von Ribbentrop appointed German Ambassador to London. Great Britain agrees to stand by ancient treaties with Portugal.

AUGUST 16—Olympic games concluded.

AUGUST 17—Japanese delegates to Institute of Pacific Relations conference at Yosemite, speaking with approval of Tokyo, urge treaty guaranteeing independence and neutrality of Philippines.

AUGUST 18—A. V. Alexander, former Labor Lord of British Admiralty, warns Japan against imperialistic expansion at I.P.R. conference.

AUGUST 19—At I.P.R. conference, Russians allege Japan condones policy of force in the Orient; charge denied. In Japan, prospects for agreement with Great Britain fade. Great Britain refuses League Mandates Commission information on Arab revolt in Palestine.

AUGUST 20—Germany, Poland, Austria, Hungary, and Albania to send military missions to Italian war maneuvers on August 25. French army maneuvers, divided between German, Spanish, and Italian frontiers, commence.

At I.P.R. conference: French delegation urges world conferences on arms and economic problems; Japanese delegate foresees possibility of a socialistic Japan; Japanese and Chinese reach unexpected agreement, urging cooperation in North China.

AUGUST 21—Dr. Hu Shih, Chinese philosopher, tells I.P.R. conference war is only method of settling differences between China and Japan. Five years of broken diplomatic relations between Bolivia and Paraguay ended at Chaco peace conference.

AUGUST 23—Admiral Horthy, Hungarian Regent, plans meeting with Hitler to

discuss German-Austro-Hungarian front against communism.

AUGUST 24—Germany increases term of compulsory military service to 2 years, reestablishing Germany as greatest military power in Europe; Russian rearmament given as reason.

AUGUST 25—Dr. Hjalmar Schacht, Reich Finance Minister, visits France. At I.P.R. conference ex-Foreign Minister Yoshizawa admits mistakes in Japanese foreign policy; claims China also guilty. Two Japanese killed by Chinese mobs in Szechuan Province.

AUGUST 26—Killing of Japanese in Szechuan looms as grave Sino-Japanese issue. Russians and Japanese clash on Manchurian border.

AUGUST 27—Anglo-Egyptian treaty concluded; concessions granted to Egyptian nationalists, but essence of British power retained.

AUGUST 28—General Rydz-Smigly visits France with members of Polish General Staff.

U. S. urged to abandon isolation by A. V. Alexander, British delegate to I.P.R. conference. In secret meeting, Australia and New Zealand state that they will follow Great Britain into war, Canada asserts that she will not.

AUGUST 29—Propaganda chiefs of Germany and Italy meet to discuss anti-communist campaign.

Admiral Kobayashi appointed Governor General of Formosa, in accordance with "southward policy" of Japanese navy.

AUGUST 30—Mussolini reiterates Italy's desire for peace, but declares that Fascists can mobilize 8,000,000 men.

General Rydz-Smigly welcomed to French army maneuvers; possible defection of Rumania may persuade French to grant Polish loan to insure allegiance.

AUGUST 31—Dr. Goebbels asserts that both

- Italy and Germany are seeking peace through might.
- First World Youth Congress to Prevent War and Organize Peace opens at Geneva.
- Japanese charge secret agreement between Chiang Kai-shek and communists.
- SEPTEMBER 2—Former Prime Minister Lloyd George visits Germany to study unemployment.
- Japanese controlled forces in Manchuria estimated at 300,000.
- SEPTEMBER 4—Russia warns Japan against violations of Soviet frontier.
- SEPTEMBER 5—League of Nations to consider return of Italy and dropping of Ethiopia. Japan warns China that mob killing of Japanese must cease.
- SEPTEMBER 7—Premier Stoyadinovitch of Yugoslavia leaves for Rumania; Ruman-Yugoslav front against Czech-Russian alliance predicted.
- SEPTEMBER 10—France to negotiate with Turkey for mutual assistance treaty.

FOREIGN

Spanish Civil War

- AUGUST 11—Rebel forces receive thirty-two German and Italian war planes; Alcazar fortress at Toledo enters twenty-second day of siege with 1,200 Rebel defenders. U. S. declares strictly neutral position.
- AUGUST 12—Generals Goded and Burriel executed at Barcelona; Loyalists report defeat of Rebels at Irun in northern drive.
- AUGUST 13—Rebels damage San Sebastian in aerial bombardment; Malaga objective of Rebel drive in south.
- AUGUST 14—Rebels demand full surrender of Madrid régime; Loyalists gain slightly in the north.
- AUGUST 15—Madrid Government socializes many industries; Rebels consolidate Badajoz and make gains at Irun.
- British Government warns against trading with either side in civil war; three British planes destined for Rebels forced down in France.
- AUGUST 16—Rebels advance on Malaga from two directions; advance on San Sebastian; Madrid Government seizes church funds.
- AUGUST 17—Rebel warships shell San Sebastian and Irun; Italian sailors in Seville welcomed as Rebel allies. Madrid Government reports gains; Loyalists intrenched on Island of Majorca. Great Britain detains five planes destined for Spanish Rebels.
- AUGUST 18—IItaly threatens to invade Spain with air force if France continues to aid Loyalists; United States silent on plea from Uruguay to act as peace mediator.
- AUGUST 19—Great Britain bans all arms exports to Spain; Italy delays neutrality accord; French fascists collect funds and arms for the Rebels. Catalonia moves toward secession; all industries socialized.
- Great Britain urges U. S. act as mediator.
- AUGUST 20—Germany orders warships in Spanish waters forcibly resist search of vessels; U. S. formally declines Uruguay's bid to mediate in Spain.
- Report Mexico sells munitions to Loyalists; later confirmed.
- Loyalists shell Palma, Majorca; Rebels make gains in south.
- AUGUST 21—Rebels lose ground at Cordoba; Loyalists repulse early drive on Madrid. Italy accepts French proposal for neutrality in Spain; Germany accuses Russia of propagandizing in Spain via radio.
- AUGUST 22—Rebel drive reaches Toledo; Loyalists capitulate to British demands and end indiscriminate search of ships.
- U. S. Shipping Board warns ships obligated to Government that they must comply with the moral embargo against arms shipments to either side.
- AUGUST 23—General Franco, Rebel leader, prepares to capture Madrid in five days; Rebels report air raid on Madrid; Loyalists claim victories.
- Madrid Government takes control of 600 industries.
- AUGUST 24—Germany and the Soviets forbid arms exports to Spain; Madrid assures the United States Government that it will respect property rights. Rebels bomb Irun and San Sebastian; Loyalists attack Granada.
- AUGUST 25—Rebel forces claim victories at Guijoza and Aragon; Loyalists report gains on island of Majorca. French and Russian aviators reported active in Madrid air force.
- AUGUST 26—Rebels defeated at Irun; Catalan Socialists and anarchists refuse Soviet régime.
- U. S. will not recognize Loyalists' blockade unless it is effective.
- AUGUST 27—Rebels again defeated at Irun; bomb Madrid, causing slight damage.
- AUGUST 28—Rebels plan fascist dictatorship; will hold plebiscite on the return of King Alfonso; attack Irun; claim victories before Madrid. Italy embargoes all arms shipments; British labor supports full neutrality.
- AUGUST 29—Rebel planes bomb Madrid. Argentine Ambassador to Spain invites eleven European nations to humanize war; Pope rallied from illness by reports of religious revival in Spain.

AUGUST 30—Rebels threaten Irun in three-way attack; Loyalist artillery batters Alcazar stronghold.

President Roosevelt protests to Loyalists and Rebels on attempted bombing of American warship *Kane*.

AUGUST 31—Secretary of State Hull prepares to recall American warships from Spanish waters.

SEPTEMBER 1—Irun held by Loyalists despite fierce Rebel attack; prepare to dynamite Alcazar fortress at Toledo.

Both Loyalist and Rebel spokesmen deny responsibility for bombing American warship; German Government would empower Great Britain to enforce neutrality.

SEPTEMBER 2—Fall of Irun imminent as Rebels attack; General Franco speeds drive in the south.

SEPTEMBER 3—Italy sends warships to Spain when citizen is killed at Barcelona; Rebels push attack at Irun.

SEPTEMBER 4—Rebels capture Irun; Loyalists evacuate city after firing it.

New Cabinet formed at Madrid composed of Socialists, Communists, and Marxists.

SEPTEMBER 5—Rebels occupy Irun and adjacent territory; Loyalists repulse Rebels in south.

SEPTEMBER 6—Madrid Government reports defeat of Rebels at Talavera; Rebel columns advance on San Sebastian.

Rebel fascists issue manifesto asking abolition of capitalism.

Premier Blum of France ignores workers' plea to aid Madrid Government.

SEPTEMBER 7—Loyalists in San Sebastian offer to surrender city if full amnesty is promised defenders.

SEPTEMBER 8—Rebels close in on San Sebastian.

General Franco admits to U. S. that a Rebel plane may have bombed the American warship *Kane*.

Delegates from twenty-three countries gather at London to plan strict neutrality in Spanish civil war.

SEPTEMBER 9—Truce halts battle for San Sebastian.

Italy and Germany anger neutral powers by refusing to submit arms embargo data.

SEPTEMBER 10—Rebels attack San Sebastian, ending truce; Madrid receives 5,000 Catalonian reinforcements in exchange for gold.

U. S. orders warships withdrawn from Spanish waters; British trade unions support full neutrality.

Australia

AUGUST 18—Philip Collier, known as Australia's most able labor leader, resigns Premiership of West Australia.

SEPTEMBER 10—Australian budget shows surplus, despite largest defense estimates in history.

Austria

AUGUST 24—Anti-Nazi coup by Heimwehr feared, but denied by Heimwehr leaders. Catholic Storm Troopers and police ordered to maintain a "state of alarm."

Bolivia

AUGUST 20—All Bolivians ordered by military Government to join employers' or employees' syndicates.

AUGUST 29—Colonel Toro's military-socialist Government announces that its 53-point socialist platform will have to wait for balanced budget.

Brazil

AUGUST 18—Liborio Justo, son of the President of Argentina, seized as militant communist.

AUGUST 25—Land grant of 2,410,000 acres to Japan canceled.

Canada

AUGUST 17—Thirty-nine-year Liberal rule in Quebec broken; new Government contains strong French nationalist and radical-fascist elements.

AUGUST 28—Bill to introduce social credit filed in Alberta.

Chile

AUGUST 18—*Patria* publishes news that soviet South American headquarters moved to Concepcion following retirement from Montevideo and expulsion from Buenos Aires.

China

AUGUST 18—Canton Government sends appeal to remaining rebel Generals in Kwangsi to submit or be expelled by military force.

AUGUST 24—As peace missions fail, war with Kwangsi thought inevitable. Communist reported moving north from Szechwan into Kansu in attempt to unite two widely separated Red armies against the Government.

AUGUST 30—Opposition to National Government rising in Kwangsi, Shantung, and Szechwan.

SEPTEMBER 8—Peace with anti-Japanese Kwangsi precarious.

Czechoslovakia

AUGUST 19—President Benes states that Czechoslovakia is willing to make utmost concessions to minorities, but that she would reject external attempts to interfere in her domestic affairs. Denies that Russian alliance aims at stirring up revolution in Europe.

France

AUGUST 18—New regime of Bank of France inaugurated; Governor Labeyrie warns workers that some of their demands may have to be resisted in the general interest.

SEPTEMBER 7—New arms budget to enlarge Army and Navy, hasten mechanization, and double air force.

SEPTEMBER 8—Struggles between Leftists, demanding Government intervention in Spain, and Rightists threaten political crisis.

SEPTEMBER 9—Administrative committee of General Confederation of Labor breaks with Communists over neutrality.

Germany

AUGUST 19—Captain Fuerstner, non-Aryan constructor and organizer of Olympic village, mysteriously killed.

AUGUST 20—Fuerstner's death revealed as suicide over dismissal from Army. Army heads eulogize him.

AUGUST 22—Confessional opposition within German Protestant Church declares open warfare on Nazi neo-paganism; campaign to open with manifesto to be read in all confessional churches in Germany.

AUGUST 23—Communism as world menace to be subject of Nazi party congress in Nuremberg on September 3.

AUGUST 28—Hitler suspends trial of Catholic monks; Catholic church indorses anti-bolshevik policy, although condemning neo-paganism.

SEPTEMBER 3—Fourth Reich Congress of Germans Abroad attended by 5,000 representatives of Nazi foreign organizations.

SEPTEMBER 6—National Socialist Congress to see Army display; Lloyd George, Pierre Laval and possibly Mussolini to attend; representatives of Austria and Little Entente to be present for first time.

SEPTEMBER 8—Hitler asserts that he has restored "full arms sovereignty" to Germany.

SEPTEMBER 9—In speech to Nazi congress, Hitler disavows war but claims right to colonies.

SEPTEMBER 10—Virulent anti-bolshevik campaign initiated.

Great Britain

AUGUST 25—Cabinet meeting adjourned, Ministers finding international situation undisturbing.

AUGUST 26—Proprietor and printer of *The Fascist* to be tried for libels on Jews.

SEPTEMBER 3—Army maneuvers called off, crack regiment being sent to Palestine to enforce stronger measures.

Irish Free State

AUGUST 18—President de Valera's policies endorsed in Wexford by-election; Cosgraveite, Separatist, and Labor candidates decisively defeated.

AUGUST 23—General Owen O'Duffy, leader of Blue shirts, reenters political life in crusade against Spanish Popular Front.

Palestine

AUGUST 16—New outbreak in Jerusalem raises number of riot victims since April 19th to 66.

SEPTEMBER 5—Arab Supreme Committee decides to continue Arab strike, now in twenty-first week.

Rumania

AUGUST 29—Foreign Minister Titulescu dropped from cabinet; reported to have been threatened by fascist "Iron Guard."

SEPTEMBER 1—Hand of German Gestapo seen in Titulescu's dismissal.

Russia

August 17—Trotskyites Zinoviev and de Jauraneney to be tried by military tribunal of Supreme Court.

AUGUST 18—Sixteen Trotskyite prisoners vie with each other in claiming complicity in anti-Soviet plot; Trotsky claims trial "frame-up."

AUGUST 20—Trotsky emerges as real conspirator, but Zinoviev assumes full guilt, claiming to have become a fascist.

AUGUST 22—Mikhail Tomsky, head of State Publishing House, commits suicide after being named by prisoners on trial for counter-revolutionary activities.

AUGUST 24—Zinoviev, Kamenev, and 14 fellow-defendants condemned to "highest form of social defense—shooting" for conspiring to assassinate Stalin.

AUGUST 25—Trotsky, in Norway, demands trial as a terrorist in Danish, French, or Norwegian court.

AUGUST 28—Trotsky interned in Norway. Moscow asks Norway to expel Trotsky.

SEPTEMBER 2—Trotsky taken to remote retreat outside Oslo in Norway.

AUTHORS *in this ISSUE:*

John L. Lewis (*Towards Industrial Democracy*) is the militant president of the United Mine Workers of America, and, more recently, head of the Committee for Industrial Organization, which has split the American Federation of Labor. Time, and the issues he represents, may make him a historic figure.



John Raymond Hand (*Better Unorganized*) writes: "I am just one of the common herd of steel workers. I am not an official or foreman and I own no stock in the company. I am just an ordinary machine operator in a strip mill and my antagonism to the union is from principle."



William Green (*The Majority Must Rule*) is president of the now divided American Federation of Labor. A leading American figure for many years, it was once said of him that he possessed more power than the President of the United States.



William A. McGarry (*As Employers See It*) is a well-known writer on American business topics. His articles have appeared in the *Saturday Evening Post*, among other publications.



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Elmer F. Cope (*We Shall Be Free*) was a skilled laborer in the steel mills at the age of fifteen, following in the footsteps of his father and grandfather. Now thirty-three, he has worked intermittently in the industry for eighteen years. "I graduated from the Republic Steel Corporation without a degree," he writes. "On three occasions I escaped and attended college, having received degrees from Swarthmore College and Western Reserve University and graduated from Brookwood Labor College. I am actively engaged in organizing steel workers into an industrial union."



Norton Webb (*State Capitalism*) has spent twelve journalistic years in Europe since the war, in which he served. He was deputy cor-

respondent for *The Manchester Guardian* in Paris, and, in this country, special correspondent for *The Scotsman*, Edinburgh. He contributes frequently to the *Christian Science Monitor*, *The Boston Transcript*, *Barron's* and other publications, writing principally on financial and international affairs.



Harold Fields (*America's Emigrants*) is executive director of the National League for American Citizenship. He is social science chairman in one of New York City's largest high schools, and has written several textbooks on economics.



W. Walter Crotch (*France Outbluffed*) is editor-in-chief of the International Press Bureau, Paris. His last contribution to CURRENT HISTORY (*Eyes on Danzig*) appeared in September.



Edward Levinson (*Norman Thomas*) is an old associate of the Socialist leader, and at present labor editor of the *New York Post*. His first book *I Break Strikes—The Technique of Pearl L. Bergoff*, published last fall, was instrumental in bringing about a Senatorial investigation of the strikebreaking industry. Another article by Mr. Levinson, *The Right to Break Strikes*, will appear in CURRENT HISTORY shortly.



Herbert Harris (*That Third Party*) appeared in the July CURRENT HISTORY with *Madison and the Constitution*. He is a former newspaper man, and was research director of the New York City's Fusion Party.



Harry N. Howard (*Turkey Goes Industrial*) is a member of the Department of History at Miami University, Oxford, Ohio, although now teaching temporarily at Indiana University. He is author of *The Partition of Turkey, a Diplomatic History, 1913-1923*, and, in collaboration with Professor Robert J. Kerner of the University of California, wrote *The Balkan Conferences and the Balkan Entente, 1930-1935*.

Protect Teeth . . . for Health



"No one can see where that tooth is filled, Ruth. But we wouldn't have had so much trouble if you had been here six months ago."

HEALTH depends a good deal upon sound teeth. While your daughter is growing into womanhood or your son into manhood, during the critical adolescent years, your family physician is an invaluable health counsellor. But, he must have an able ally—your dentist.

Good teeth do not just happen. They are living parts of the body built by food. They need the elements contained in eggs, milk, meats, green vegetables, fruits and cereals, but in addition they should be cared for regularly because, unlike most other parts of the body, they cannot heal themselves when injured. Besides brushing your teeth carefully at least twice a day, choose some hard and "crunchy" foods that give the teeth and gums real work to do.

If you would save a great deal of needless trouble and expense, have your children visit the dentist every six months in order that small cavities, of which they are un-

aware, may be discovered and treated before they can do any real damage. The dentist will also encourage systematic and correct toothbrushing in order to lay a foundation for lasting health habits.

Sometimes teeth need to be examined from the inside as well as from the outside. A tooth which looks sound and which has neither ached nor shown decay may yet hide unsuspected infection. With X-ray photographs your dentist can discover whether or not you have any tooth infected at the root which needs treatment.

A diseased tooth is a menace to health. Poison from it may damage vital organs; may cause eye, ear, nerve, joint or digestive trouble, or any one of a long list of serious ailments. Write for the Metropolitan's free booklet, "Good Teeth," which tells many things that you should know about the care of your teeth and gums. Address Booklet Department 1036-K.



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—Speaking of Travel—

Americans Cannot Always Act Part of "Roman While in Rome"

WHETHER the American traveler likes it or not, he will find that the rest of the world is anxious to make him feel at home, literally speaking, in his own language. He may travel with the express purpose of capturing the native atmosphere of strange places, but will discover that he might just as well have brought the United States with him on his trip, along with his baggage and passport. For foreign tourist officials go to unbelievable lengths to provide the American with American atmosphere. They direct him to American hotels where even the bellboys speak the American language. They show him standardized American amusements and even go so far as to provide him with that fourth partner for bridge. These are obstacles before any traveler who would be a Roman while in Rome.

But those hardy travelers who insist on foregoing being at home abroad will have to reconcile themselves to abrupt changes of customs and food. There are few Americans, for example, who can be sold on the idea of live, squirming insects as a substitute for apple pie after the evening meal. Yet in China, Americans who are invited to any of the dinner functions given by the upper social strata, discover after a three- or four-hour meal that their dessert is a multi-legged crawling object of deep brown color. One familiar with this particular dish knows that the trick is to reach into the bug-bowl with his chopsticks, grab a wriggling insect, pop it into his mouth, and crush it before it has a chance to crawl around. Since it is bad form to leave out a course, many Americans have to resort to sleight of hand to dispose of the insect surreptitiously while yet giving the appearance of eating it.

Watermelon pits comprise another Chinese dinner dish which add to the discomforts of first-time visitors. Through years of long practice, the Chinese can perform the multiple operations of opening and chewing many of the seeds at the same time. The

pit yields its meat only when opened in a certain manner, and Americans who have mastered the trick say that eating watermelon seeds is a definite art.

The Durain

In the Malay Archipelago, one may be introduced to the *durain*, a dusty colored and bristly fruit slightly smaller than a baby grapefruit. The *durain* is said to have a pleasant taste, but there are few, even among the native inhabitants, who can be persuaded actually to eat it. For the fruit is prohibitively odorous. The *durain*, more than any other plant or even animal, is most repulsive to the respiratory organs of man. As it ripens, its seeds inside turn black. When the fruit reaches full growth, it can effect the rout of an entire community, penetrating everything, even closed windows and doors.

The *durain* is seldom served at dinners of importance. At these functions, distinguished visitors eat Japan's choicest delicacies other than the strong-scented fruit. In this, they are aided by geisha girls. The geisha girl, who in most cases speaks English, kneels directly opposite each guest and assists him with each dish. She helps serve *sake*, an alcoholic beverage which the Japanese drink much in the same manner and quantity as Americans with their coffee. Part of the custom in drinking *sake* entails standing up. This supposedly simple ceremony is often the despair of most strangers, for one's feet are hopelessly inactive after two hours of squatting in the customary manner.

Japanese accommodations for visitors are of the finest. But if one should choose to room at one of the old hotels usually patronized for the most part by native Japanese, he may find one discomfort: the bed may be too small. He may be surprised to learn, too, that few hotels or even homes have locks on each door. The Japanese have little trouble with house burglars and see

little sense in contrivances which indicate distrust or suspicion of one's neighbors. Hotel doors are unlocked and during the night attendants may enter to close the windows if they think it is too cool.

Moros and Spitoons

This system of unlocked doors and freedom is in marked contrast to the native laws of the Moros, one of the races of the Philippine Islands. Should one of the inhabitants, or even a visitor, complain that his home or room was entered, the guilty party is immediately fined three spitoons. Spitoons are prized highly by the Moros, and few are willing to risk losing any of the coveted objects. The Moros may be fined three spitoons for cursing, no matter what the provocation, and the Moro fisherman is perhaps mindful of this even after a luckless day. (Incidentally, the approved fish-catching scheme of the Moros is to poison the waters).

But this is not the only instance where money is valued less highly than certain goods. In Ethiopia, before Mussolini's allegedly civilizing influence, a visitor found that the ordinary needle was accepted more gladly than money as a medium of exchange. Shopping became extremely simplified when visitors flourished cushions of needles.

Other customs in Ethiopia were equally surprising. Visitors hiring guides and donkeys were often surprised at the ceremony which ensued if a donkey happened to die before the party returned. The guide promptly severed the animal's tail as proof to the owner that it was not sold or traded. Visitors of rank in Addis Ababa were compelled by the government to accept an escort of from three to more than one hundred men, depending upon the rank of the individual. A distinguished guest could not walk fifty feet outside his door without an entourage falling in behind him.

Big Meals at Java

To Americans of robust appetites, the Dutch island of Java is the most inviting, perhaps, of all foreign lands. The biggest meals in the world are served in Java. The workday is broken up for several hours to permit employers and employees to enjoy a noon-day lunch, usually a twenty-course meal. The *pièce de résistance* is a dish called *rijstafel*, served in a soup plate the size of a wash basin. More than a dozen

*Basuto girl,
Northern Transvaal*



A Mountain Pass in the Zwarte Bergen Range

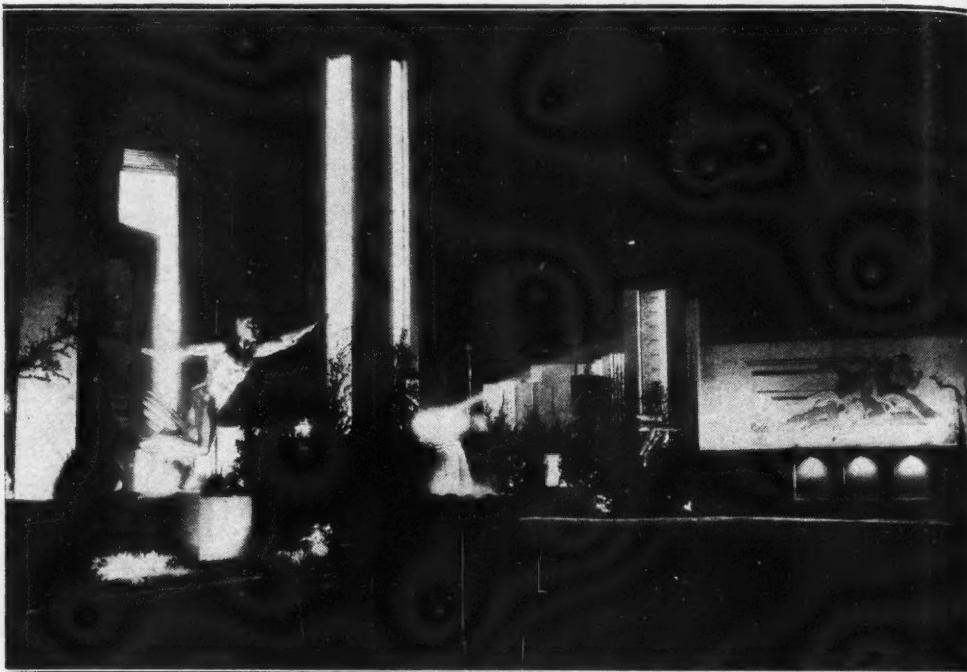
THE famous "Garden Route" of South Africa includes Mossel Bay, a quaint Indian Ocean resort—glorious Montagu Pass—the "Wilderness" (an unusual name for a region of transcendent beauty) picturesque Knysna, and George, called the "prettiest village on the face of the earth."

By rail or motor, the "Garden Route" is one of the world's rarest scenic treats—gem-like villages that make one long to live there, towering mountains, primeval forests.

South Africa abounds in beauty and marvelous sightseeing, travel is comfortable, the climate delightful, and the people are charmingly hospitable.

And there's a wonderful plus attraction this fall—the big Empire Exhibit at Johannesburg, the "Golden City," celebrating its Golden Jubilee and the marvelous progress of South Africa—Sept. 15, 1936-Jan. 15, 1937.

DETAILED INFORMATION FROM ALL LEADING TRAVEL AND TOURIST AGENCIES



TEXAS CENTENNIAL CELEBRATIONS: Lighting pylon and statue at the end of the Esplanade of State reflecting basin. Murals of the Hall of Varied Industries are shown at right.

different foods, with gravies and powders, are poured into each basin and then stirred and squashed into sublimated hash. After *rijstafel*, the Dutch slowly pick themselves up, move over to nearby cots, and sleep.



Here and There

A feature of the Texas Centennial Celebrations at Dallas is a French exhibit commemorating the Franco-Texan pioneer, Robert Cavalier Sieur de La Salle. Among the souvenirs of La Salle which the French Government is sending to the exhibition is a bronze copy of his medallion, which is affixed to the wall of the cathedral at Rouen, where La Salle was born; a painting of La Salle reaching the shores of Texas, and a seventeenth century portrait etching of the explorer from the Cabinet des Estampes. In addition, there are maps, sketches, and copies of old documents which La Salle helped to compile. After the celebrations, the exhibit will be presented by France to the State of Texas for inclusion in the Texas Historical Museum.

The Texas Centennial Celebrations have already attracted 3,000,000 visitors. The five million mark probably will be reached before the end of the year.



A new air service from Aberdeen, Scotland, to Shetland, requiring only one hour and forty minutes, has just been inaugurated. It is now possible for business persons and tourists to leave Aberdeen in the morning, spend a day in the famous Shetland Isles, and return to Aberdeen for dinner. With the announcement that a new steamer service will connect the airport for the Hebrides, the Northern vacation lands of the Island settlements can be reached two ways from Aberdeen.



Tourists who plan to take their motors cars to France will do well to equip their machines with yellow headlights. The Minister of Public Works has decided that yellow beams of light are less blinding on the road and ac-

cordingly has issued orders for the change. The discovery that yellow lights provide good vision and do not cause a state of temporary blindness among drivers is not new; numerous communities and municipalities throughout the States have illuminated their roadways and highways with the tinted bulbs.



Vienna — old, tumble-down, romantic Vienna—is to have a face-lifting. The municipal fathers have decided that Vienna can be just as gay and colorful without a number

of rickety and time-worn houses, and so have ordered wide demolition. Among the structures to be reduced to the scrap pile is the "Freihaus," a huge building erected in the seventeenth century. Here Mozart lived in a modest flat and composed most of his "Magic Flute" Symphony. Another famous Viennese landmark to be replaced is the old "Baeerenmuehle." Its last major renovation was in the sixteenth century when it was converted from an old mill to an inn of great renown.

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INDIA STATE RAILWAYS

The World in Books

(Continued from page 7)

United States and the League of Nations in the controversy between China and Japan. The book makes the point that the United States cannot afford to ignore China in making any relations or agreements it may establish with Japan. It is desirable to develop a friendship or understanding with Nippon, but it is also essential, Mr. Stimson writes, that such a friendship does not in any way involve the sacrifice of friendship with China, nor cause any abrogation of treaties with other nations.

For China cannot be dominated or driven by an outside force, he contends, into an alien or undesired form of evolution. Hers is the most persistent national culture in the world, and its loss would be a blow which would directly affect the peace of her neighbors, including America.

Mr. Stimson's work, well documented, contains the full texts of the League Covenant, the Nine Power Treaty, the Pact of Paris, and the League recommendations on the Lytton Report. It is of definite value to all students of the Far East as well as to those who wish a clearer understanding of America's relations with Japan, China, and the League of Nations.

Adventure in the Pacific

Mr. Price spent for months among the 2,550 islands and reefs of Micronesia, extending 2,700 miles along, and 1,300 miles north of, the equator. The islands, which passed from Spanish to German, and finally, to Japanese control, provide a pavement for Nippon to some of the richest lands in the world—to the Philippines, the Dutch East Indies, British Borneo, New Guinea, Australia. For Japan has more than an academic interest in the long string of beads that is Micronesia; the islands give her the most effective instrument of defense known to man—Nature. "No enemy, unfamiliar with the hiding places of cruisers, submarines, and aircraft," Mr. Price writes, "could hope to get through this labyrinth. Here are 2,550 hurdles in the way of any fleet bound for the China coast."

The author finds no evidence pointing to

any breach of the terms of the mandate, but he sees Japanese penetration as an irresistible and inevitable process, affecting even the Philippines.

Pacific Adventure is vivid and compelling reporting, if not a profound contribution to anthropology or even economics. It does, however, throw a new and important light upon the workings of Japan's "manifest destiny."

Biography

Biography added two distinguished titles to its shelf last month with the publication of *Haig* by Duff Cooper (Doubleday, Doran, \$4), and *Seventy Years of It* by Edward Alsworth Ross (Appleton, Century, \$3).

If it had not been for major wars, most of the men whom the world chooses to recognize as great, would have been fated for comparatively obscure roles. The soft-spoken, reserved Douglas Haig, for example, might have walked quietly across the English scene with little of the recognition that was to come to him later, had not the circumstances of world conflict contrived to place him at the head of one of the greatest armies ever massed by any nation. But if the World War was to foist greatness upon Haig, it did nothing to change the man himself; he remained the same mild-mannered, modest English gentleman as before. Haig had none of the bluster, arrogance, or show of might that has been popularly identified with great soldiers, yet his soldiers respected him and fought all the harder for it.

But popular as Haig was with his men, he was not always able to command a unified following at home. Lloyd George thought of him as a "stupid soldier" and could not reconcile himself to a man of Haig's type at the head of Great Britain's army. So vexatious, indeed, did the Prime Minister become that Haig wrote: "All would be easy, if one had only to deal with the Germans."

Mr. Cooper has not only provided his audience with an absorbing biography of Douglas Haig; he has written a history of the World War the historical importance of which is without question.

On December 12, 1866, Edward Alsworth Ross was born. Since that time, as he says in the title of his autobiography, he has had "seventy years of it."

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CURRENT HISTORY:

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"It", in Dr. Ross' case, has consisted of a life which has seen most of the world and the world's work. Dr. Ross, at present a professor of sociology at the University of Wisconsin, drew public attention to college professors long before Dr. Moley and Dr. Tugwell invited the sobriquet of "brain trust." When Dr. Ross returned from Russia after a study of the Soviet in 1919, President Wilson asked him for some material which would help him on the "perplexing Russian problem." Encouraged, Dr. Ross brought out two volumes: the *Russian Bolshevik Revolution*, and the *Russian Soviet Republic*, both of which are still recognized as standard works on the Soviet.

History of Florence

One of the most important events in the book world last month was publication of the monumental *History of Florence*, by Ferdinand Schevill (Harcourt, Brace, \$5). Twenty years in the making, the *History of Florence* is without doubt one of the year's most significant contributions to historical literature.

The golden story of Florentine art and culture and even legend has not found as many chroniclers as the mine of material to be found in the Arno city would seem to warrant. But perhaps this very plethora of richness has frightened away historians who did not know just where to begin; indeed, there is little of definite value to date in the

Florentine field with the exception of the works of Villari, Davidsohn, and Caggese, none of which were originally published in English. Professor Schevill, therefore, is something of a pioneer in this work.

The history of Florence is the story of genius and accomplishment in every field of human endeavor—in government, industry, literature, and art. This is a firmament which has produced a Michelangelo, the Medici, a Leonardo da Vinci, a Machiavelli, a Dante, as well as a Galileo and a Savonarola. For the Arno Commonwealth set the tempo for all Western civilization from the close of the middle ages to the beginning of the seventeenth century. During that period, the well of art and culture so nobly filled by the Florentine artists, writers, and thinkers has never run dry.



Another literary historical work of note is the recent publication in one volume of Leon Trotsky's three-volume masterpiece under the title of *The History of the Russian Revolution* (Simon and Schuster, \$2.98). Long after the notorious exile's part as a vital figure in the Russian Revolution will be blurred or even forgotten, Trotsky's *History of the Russian Revolution* will still be accepted as the standard work on the subject. Whether Trotsky will make his mark in history as an outstanding figure must depend upon the perspective that only time can give. But time has already established the greatness of his greatest work; there is every indication that it will continue to gain in stature.

Reference

The first of two volumes of the annual *Documents on International Affairs 1935* (Oxford, \$6) has made its appearance. Edited by Stephen Heald, and issued under the auspices of the Royal Institute of International Affairs, the present volume is a reference work of the highest importance. Dealing with Germany and Europe, the work contains a full record of relations between Germany and Europe leading up to the German denunciation of the Locarno Pact and of the demilitarization clauses of the Treaty of Versailles. Its value is enhanced by an Addendum of the documents originally published in the British Blue Book on "Diplomatic discussions directed towards securing an European settlement."

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